

## GCC Equity Funds

AUM Shrink By 46% from April 2008

February 2009

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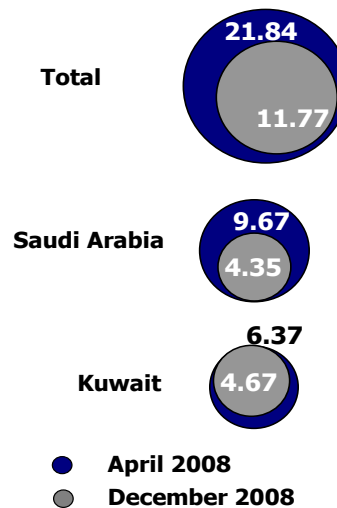
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The GCC markets experienced a rollercoaster ride in 2008. The first half of the year was characterized by a boom in property markets and record high prices of oil as well as other commodities that fuelled concerns of high inflation. However, the second half was a contrast, with commodity prices cooling down and crude prices plummeting 70% from their highs of USD147 per barrel in July. Property prices also crashed as the global credit crisis engulfed the financial markets. Consequently, investor sentiment turned negative, fund managers began hoarding cash, and investors began redeeming. Consequently, assets under management (AUM) for both country specific and pan-GCC funds have experienced a severe contraction of 46% from April 2008 (Figure 1). The most contraction has been in Bahrain funds, where AUM's have plunged 75% in the eight month period (April – December 2008), followed by the UAE, which saw a 62% decline in AUM. The country with the least contraction was Kuwait, where AUM declined 26.6% from USD 6.37 bn in April 2008 to USD 4.7 bn in December 2008. Conventional Funds AUM declined 46% from USD 13.7 bn in April 2008 to USD 7.4 bn in December while Islamic Funds AUM shrank 45.6% to USD 4.4 bn in December 2008 (Appendix 8). It comes as no surprise that fund performance suffered and any gains made during the first half of the year were subsequently reversed, causing all funds to end 2008 with losses, most of which were in the double digits.

**Figure 1: AUM Contraction from April - December 2008 (USD bn)**



Source: Markaz Research

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**Table 1: Top Five Asset Managers - Equity Funds (Dec 08)**

Manager	AUM (\$ Mn)	Manager Focus	Market Share
Riyad Capital	1,276	Saudi Arabia	10.84%
HSBC Saudi Arabia	1,069	Saudi Arabia	9.08%
Samba Financial Group	968	Saudi Arabia	8.23%
National Investment Company	921	Kuwait	7.83%
Kuwait Financial Centre	886	Kuwait	7.52%

**Note: AUMs pertaining only to equity funds**

Source: Markaz Research

# GCC Equity Funds

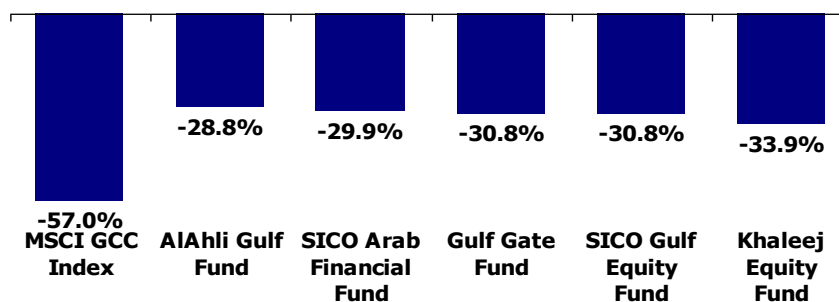
AUM Shrink By 52% from April 2008

## Key Highlights

GCC funds sustained heavy losses as markets effectively collapsed towards the end of 2008

- GCC stock markets ended the year with steep losses (MSCI GCC declined 57%) as the global financial fall-out took its toll on the region, compounded by a flight of foreign investors, distressed companies, forced mergers, and debt defaults.
- In December, asset allocators increased their exposure to Saudi Arabia to 35.8% from 28% back in April 2008. Allocation to Kuwait ended the year at 18.8%, slightly higher than April level of 17%. For the UAE, allocation in December was 15.7% a marked decrease from April 2008 levels of 27%. Exposure to Qatar increased to 17.5% from 13% in April.
- As for AUMs, GCC Equity Funds assets contracted by 52% from USD 3.71 bn in April 2008 to USD 1.77 bn in December 2008.
- Fund managers went into panic mode in December 2008, allocating 29% to cash.
- Among conventional funds, Al Ahli Gulf Fund (Al Ahli Bank of Kuwait) closed the year as the top performer with a loss of 28.8% compared to benchmark loss of 57%.
- Al Aseel Islamic Equity Fund (Kuwait Finance & Investment Company) was the top performing GCC Islamic fund in 2008, with a loss of 38.1% compared to benchmark loss of 60%.

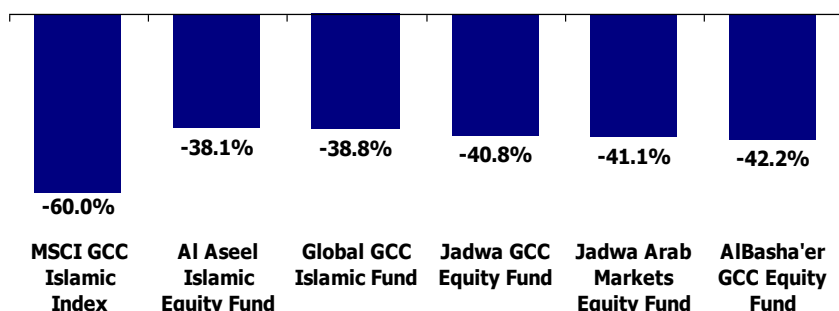
**Figure 2: Top Five Conventional Funds (2008)**



In 2008, the benchmark indices, MSCI GCC and MSCI GCC Islamic, lost 57% and 62%, respectively

Source: Zawya & Bloomberg

**Figure 3: Top Five Sharia-compliant Funds (2008)**



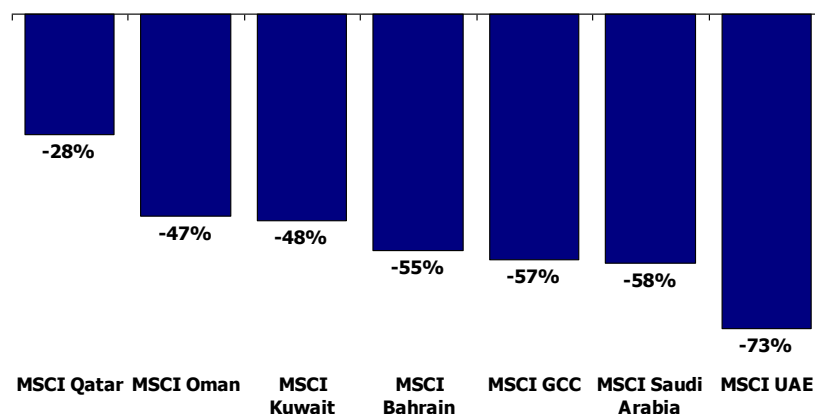
Source: Zawya & Bloomberg

MSCI Qatar was the top performing index with an annual loss of 28%, while MSCI UAE plunged 73%

### Major Trends

The GCC markets experienced a turbulent 2008 that resulted in all the markets closing the year with significant double-digit declines. During the year, most of the GCC countries reiterated their commitment to the dollar peg. That, coupled with the decline in oil prices, led to a large number of foreign investors, who were betting on continued gains from high oil prices and a possible de-pegging of currencies, exiting the markets. Consequently, GCC markets plunged on a YTD basis by 57% in 2008, led by the MSCI UAE Index, which plummeted 73% (Figure 4).

**Figure 4: Performance of GCC MSCI Stock Indices (2008)**

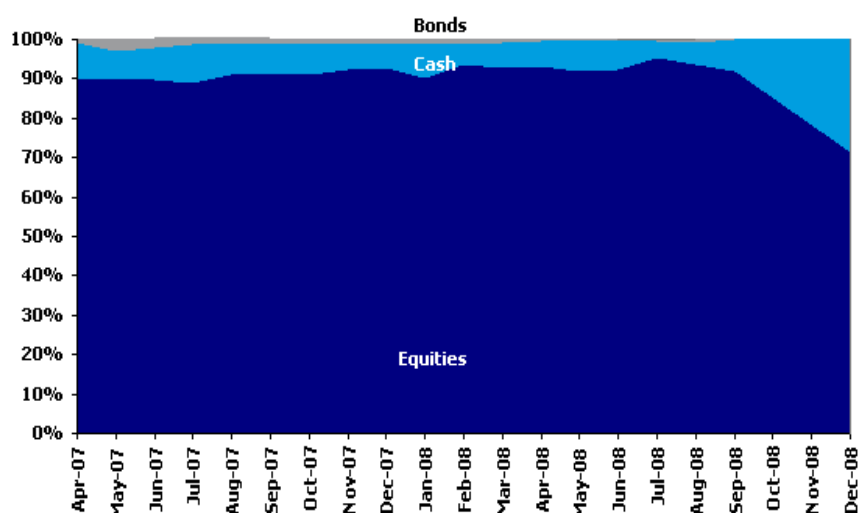


Source: Bloomberg

On a weighted average basis, fund managers decreased their exposure to equities to 71% in December—free cash held stood at 29% of total assets

The ever-worsening turmoil in the global market sent fund managers into panic mode in December, where managers held 29% of their assets in cash as against 4% in July, which was the lowest level in 2008. During the month, exposure to equity fell to 71% from 92% in September (Figure 5).

**Figure 5: Asset Allocation Trends – GCC Equity Funds**



Source: Markaz Research

Within equities, exposure to Saudi Arabia and Qatar increased at the expense of Kuwait and UAE (Table 2). There was a slight increase in allocation to Saudi Arabia, from 33.5% in September to nearly 36% in December whereas exposure to the Kuwait market fell markedly from 22.7% in September to 18.8% in December. The decreased confidence was even more apparent in the UAE, where allocation dropped from 21.3% in September 2008 to 15.7% in December.

**Table 2: Geographical Allocation - Equity Funds**

Country	Apr-08	Sep-08	Dec-08
Saudi Arabia	28.8%	33.5%	35.8%
Kuwait	16.8%	22.7%	18.8%
UAE	26.6%	21.3%	15.7%
Qatar	12.5%	13.7%	17.5%
Oman	4.0%	2.6%	4.6%
Bahrain	3.8%	3.1%	3.6%
Other Mena	7.7%	3.6%	3.5%

Allocation to the Saudi market increased to 35.8% in December, whereas exposure to the UAE markets was down to 15.7%

**Source:** Markaz Research

### Conventional GCC Funds

The top 5 conventional funds outsmarted their benchmark which recorded a loss of 57%. Al Ahli Gulf Fund (Al Ahli Bank of Kuwait) closed out the year with the best performance with an annual loss of 28.76% (Table 3). The fund had its worst performance in October 2008, losing 18.56%. The fund sat on cash in December, with an allocation of 38.04%. Kuwait had the highest geographical allocation (27.4%), followed by Bahrain (12.1%), an allocation of 9.1% to the UAE. The Fund's top holdings included SABIC, Agility, Emaar Properties, Gulf Finance House, Qatar National Bank, and BankMuscat (detailed percentage holdings were not provided).

**Table 3: Top Five Conventional Funds (2008)**

Fund Name	Fund Manager	Inception	AUM (\$ Mn)	2008	2007
AlAhli Gulf Fund	AlAhli Bank of Kuwait	Nov-03	75	-28.76%	29.57%
SICO Arab Financial Fund	Securities & Investment Company	Aug-07	16	-29.90%	20.72%
Gulf Gate Fund	Kuwait and Middle East Financial Investment Co.	Aug-06	NA	-30.78%	24.00%
SICO Gulf Equity Fund	Securities & Investment Company	Mar-06	35	-30.80%	37.30%
Khaleej Equity Fund	Securities & Investment Company	Mar-04	70	-33.90%	44.13%

**Source:** Markaz Research

Top performing funds kept away from blue chips in December

Among conventional GCC funds, the preferred equity holdings were SABIC, Industries Qatar, SAFCO, Etihad Etisalat, and Saudi Telecom (Table – 4). However, top performing funds mostly kept away from these and hence bucked the trend. It is interesting to see that the top five funds did not have any exposure to Industries Qatar and Etihad Etisalat.

**Table 4: Top Five Holdings of Conventional Funds (Dec- 2008)**

	SABIC	Industries Qatar	SAFCO	Etihad Etislat	Saudi Telecom
AlAhli Gulf Fund	X		X		
SICO Arab Financial Fund#					
Gulf Gate Fund*					
SICO Gulf Equity Fund#					
Khaleej Equity Fund					X

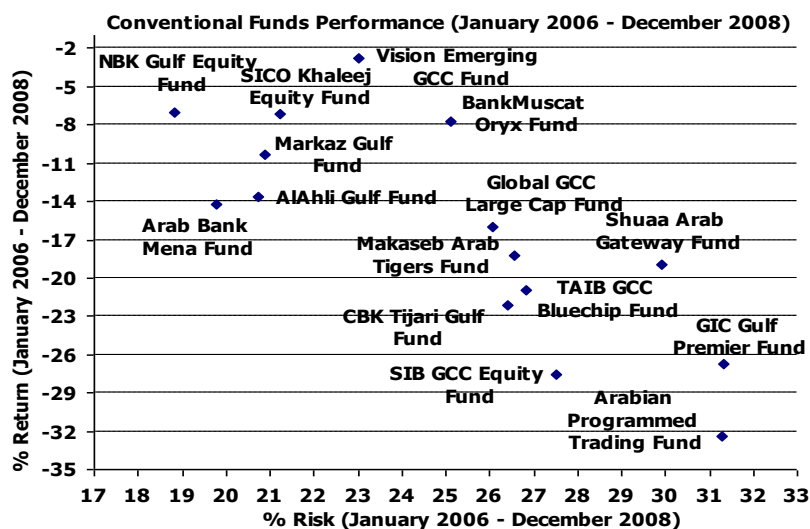
# Fund doesn't have holdings in top five equities; \* Top holdings not specified in fact sheet; N/A - Fact sheet Not Available

**Source:** Markaz Research

Over the past three years, Vision Emerging GCC Fund recorded an annualized loss of 2.75% and an annualized risk of 23.04%

Over a three-year horizon (January 2006 to December 2008), Vision Emerging GCC Fund emerged with the highest Sharpe ratio of (0.16). (Figure 6)

**Figure 6: Risk Return Profile of Conventional Mutual Funds**



Source: Markaz Research

### Islamic GCC Funds

All top five Islamic funds outperformed the benchmark MSCI GCC Islamic Index, which plummeted 60% in 2008. Al Aseel Islamic Equity Fund (Securities & Investment Company) topped the charts with an annual loss of 38.10% (Table – 5). In December, the fund hoarded cash with an allocation of 65.9% with the highest equity allocation going to the Saudi market (14.3%). In terms of sectors, the fund had an 11.3% exposure to telecoms followed by 9% in Industrials. The fund’s top 3 holdings in December were Saudi Telecom (3.1%), EPICO (3.1%), and El Sewedy Cables (2.8%).

**Table 5: Top Five Islamic Funds (2008)**

Fund Name	Fund Manager	Inception	AUM (\$ Mn)	Performance (%)	
				2008	2007
Al Aseel Islamic Equity Fund	Securities & Investment Company	Sep-05	6	-38.10%	35.21%
Global GCC Islamic Fund	Global Investment House	Jul-07	36	-38.84%	12.97%
Jadwa GCC Equity Fund	Jadwa Investment	Jun-07	11	-40.79%	42.11%
Jadwa Arab Markets Equity Fund	Jadwa Investment	Jun-07	12	-41.12%	42.19%
AlBasha'er GCC Equity Fund	Kuwait Finance and Investment Company	Jan-06	84	-42.20%	53.07%

Source: Markaz Research

Among Islamic funds, Al Aseel Islamic Equity Fund was the top performer with an annual loss of 38.10%

Among Islamic funds, the preferred holdings were Industries Qatar, Kuwait Finance House (KFH), Saudi Telecom, Al Rajhi Bank and SABIC (Table – 6). However, like conventional funds, even the top performing

Islamic funds avoided the herd rush to blue chips which may explain their outperformance.

**Table 6: Top Five Holdings of Islamic Funds (December 2008)**

	Industries Qatar	Kuwait Finance House	Saudi Telecom	Al Rajhi Bank	SABIC
Al Aseel Islamic Equity Fund			X		
Global GCC Islamic Fund#					
Jadwa GCC Equity Fund	N/A	N/A	N/A	N/A	N/A
Jadwa Arab Markets Equity Fund	N/A	N/A	N/A	N/A	N/A
AlBasha'er GCC Equity Fund		X			

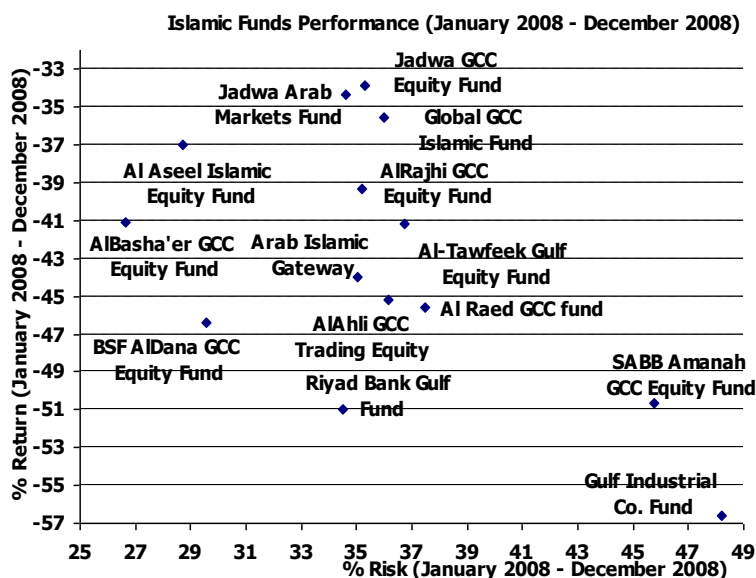
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Source: Markaz Research

Jadwa GCC Equity Fund had the highest Sharpe ratio (0.96) over the past one year. (Figure 7)

**Figure 7: Risk Return Profile of Islamic Mutual Funds**

From Jan 2008 to Dec 2008, Jadwa GCC Equity Fund registered an annualized loss of 33.86%



Source: Markaz Research

# Saudi Arabia Equity Funds

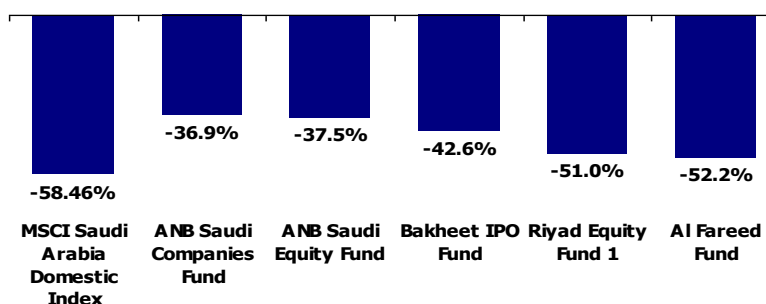
AUM Shrink By 55% from April 2008

## Key Highlights

- Saudi Arabia's Tadawul All-Share Index (TASI) was one of the worst performers among the GCC markets during 2008, shedding 56.5% from the start of the year.
- For the year 2008, the total volume and value traded stood at approximately 58.5 Bn and USD522.4 Bn, respectively. While the volume traded rose by 1.2% YoY, value traded fell by 23.0% YoY in 2008. Concentration of the top five stocks in terms of volume and value traded to total market capitalization stood at 22%.
- In December, fund managers increased their allocation to cash to 3.5% (on an asset weighted basis).
- AUM's declined by 55% to USD 4.35 bn from April 2008 levels.
- ANB Saudi Companies Fund (Arab National Bank) was the best performer among conventional funds, with a loss of 36.9% for 2008, and outperformed the benchmark MSCI Saudi Arabia which lost 58%.
- AlAhli Saudi Dynamic Trading Equity Fund (NCB Capital) outperformed all other tracked Islamic funds by a wide margin, limiting its annual loss to just 10.7%, a substantial outperformance of the MSCI Saudi Arabia Index decline of 58.46%.

Saudi Arabian funds witnessed severe yearly losses as markets collapsed

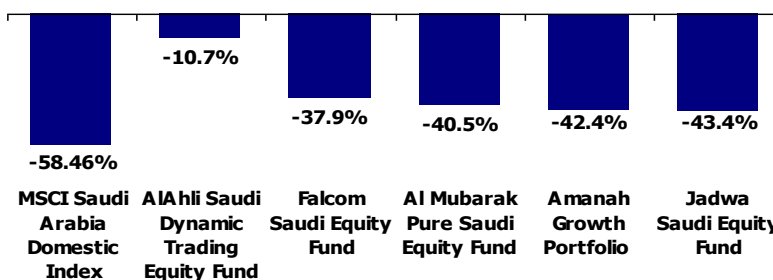
**Figure 8: Top Five Conventional Funds (2008)**



All of the Top 5 Funds (Conventional & Islamic) outperformed the MSCI Saudi Index, which lost 58.46% in 2008

Source: Zawya, Bloomberg & MSCI

**Figure 9: Top Five Islamic Funds (2008)**



Source: Zawya, Bloomberg & MSCI

Riyad Capital was the top fund manager in terms of assets under management in Saudi Arabia for the month of December

Tadawul registered an annual loss of 56.5% in 2008 as the global financial turmoil began to resonate with Saudi investors. The steepest fall was in the Insurance sector, which plummeted 73.67% for the year. All sectoral indices registered double digit losses for the year.

**Table 7: Top Five Fund Managers (in terms of AUM in Dec - 2008)**

Fund Name	Top 5 Fund Managers	Market share
Riyad Capital	1,160	26.7%
HSBC Saudi Arabia	1,045	24.1%
Samba Financial Group	816	18.8%
NCB Capital	396	9.1%
Bank Al Bilad	196	4.5%

Source: Markaz Research

### Conventional Saudi Funds

The top five Saudi conventional equity funds outperformed the MSCI Saudi Arabia Domestic index, which plummeted 58% in 2008. ANB Saudi Companies Fund (Arab National Bank) was the best performing conventional fund for the year with a loss of 36.93% (Table - 8). The Fund had an allocation of 22.7% to Cash in December, followed by 22.1% to Others, and 12.2% to Petrochemicals. The Fund's top five holdings in December were Al Marai (8.5%), Sabic (8.3%), Al Rajhi Bank (8%), Jarir (6.2%) and Saudi Telecom (6.1%).

ANB Saudi Companies Fund (Arab National Bank) was the years' best performer, with a loss of 36.93%.

**Table 8: Top Five Conventional Funds (2008)**

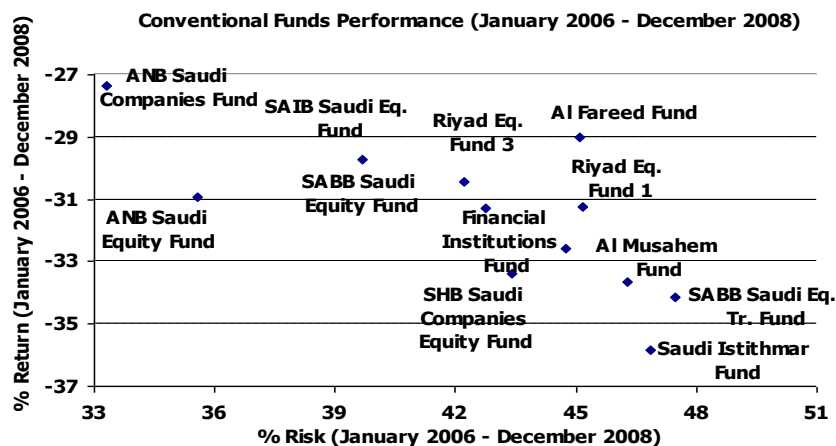
Fund Name	Fund Manager	Inception	AUM (\$ Mn)	2008	2007
ANB Saudi Companies Fund	Arab National Bank	May-93	58	-36.93%	30.32%
ANB Saudi Equity Fund	Arab National Bank	Apr-92	54	-37.48%	25.78%
Bakheet IPO Fund	Bakheet Investment Group	Mar-08	33	-42.62%	N/A
Riyad Equity Fund 1	Riyad Capital	Dec-92	98	-50.97%	58.56%
Al Fareed Fund	Samba Financial Group	Dec-03	28	-52.22%	71.66%

Source: Markaz Research

On a three-year horizon, Al Fareed Fund (Samba Financial Group) had the highest Sharpe ratio of (0.64) (Figure - 10).

**Figure 10: Risk Return Profile of Conventional Mutual Funds**

ANB Saudi Companies Fund (Arab National Bank) recorded a three-year annualized loss of 27.35%



Source: Markaz Research



### Islamic Saudi Funds

Like conventional funds, the top five Islamic funds also outperformed the benchmark MSCI Saudi Arabia Domestic index, which fell 58% in 2008. AlAhli Saudi Dynamic Trading Equity Fund (NCB Capital) was the best performing Islamic fund, with a loss of just 10.68% in 2008 (Table - 9). The fund stepped almost entirely away from the market, holding 99.7% of its assets in Cash for December, affording it immunity from the severe downturn. The fund's top three holdings in December were SABIC (0.09%), Saudi Telecom (0.06%) and Al Rajhi Bank (0.05%).

Al Ahli Saudi Dynamic Trading Equity Fund (NCB Capital) hoarded 99.7% of its assets in cash, resulting in an annual loss of just 10.68% in 2008

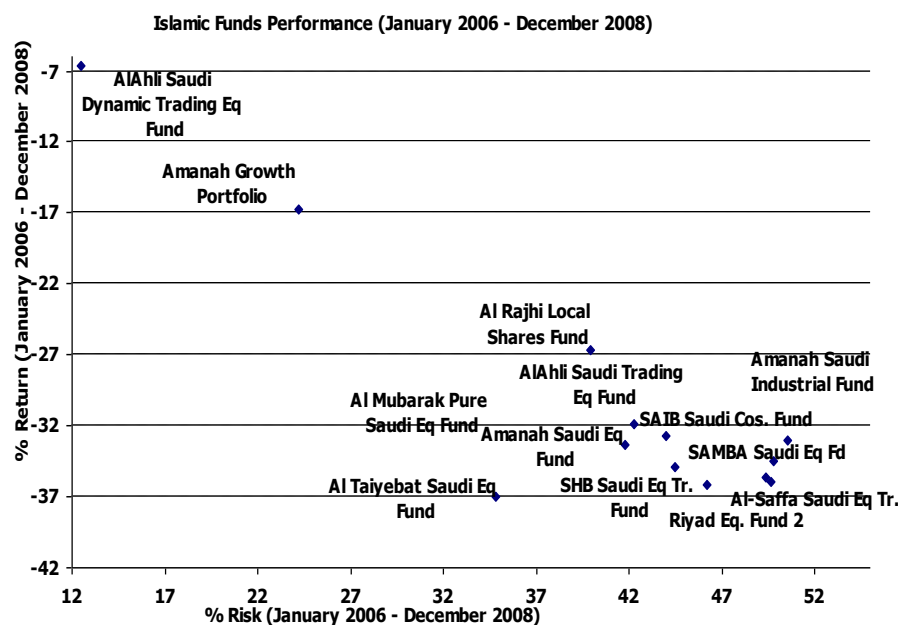
**Table 9: Top Five Islamic Funds (2008)**

Fund Name	Fund Manager	Inception	AUM (\$ Mn)	2008	2007
AlAhli Saudi Dynamic Trading Equity Fund	NCB Capital	Apr-05	29	-10.68%	11.51%
Falcom Saudi Equity Fund	FALCOM Financial Services	Apr-07	62	-37.86%	40.38%
Al Mubarak Pure Saudi Equity Fund	Arab National Bank	Nov-05	64	-40.46%	23.56%
Amanah Growth Portfolio	HSBC Saudi Arabia	Jan-05	14	-42.36%	33.86%
Jadwa Saudi Equity Fund	Jadwa Investment	Jun-07	34	-43.37%	61.39%

Source: Markaz Research

Over a three-year horizon, Al Ahli Saudi Dynamic Trading Equity Fund (NCB Capital) had the highest Sharpe ratio of (0.53)(Figure – 11).

**Figure 11: Risk Return Profile of Islamic Mutual Funds**



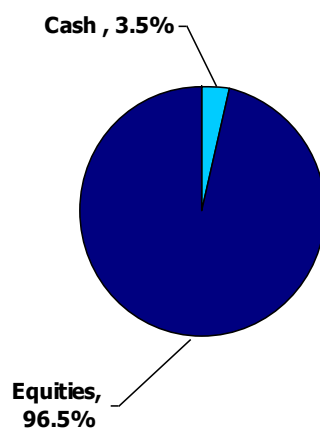
Source: Markaz Research

Over the last three years, Al Ahli Saudi Dynamic Trading Equity Fund registered annualized losses of 6.64% with a risk of 12.51%

By December, fund managers decreased their exposure to equities to 96.5% from 98.1% in September, holding 3.5% in Cash

Saudi equity funds reduced their exposure to equities on account of increased market losses in the latter half of 2008. Managers held 3.5% of their assets in Cash and 96.5% in Equities. Exposure to equities was 98.4% in August of 2008. (Figure – 12).

**Figure 12: Asset Allocation Trends – Saudi Equity Funds  
(December 2008)**



**Source:** Markaz Research

# Kuwait Equity Funds

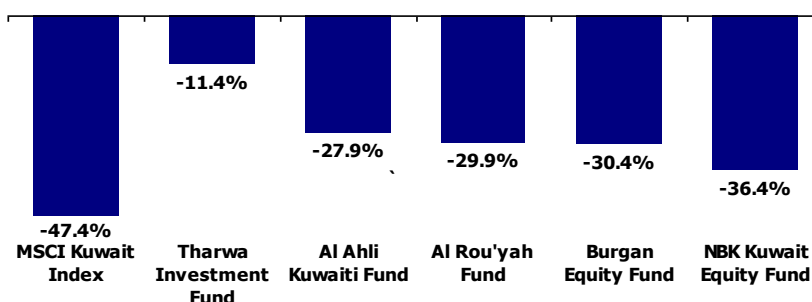
AUM Decline By 27% from April 2008

## Key Highlights

- The Kuwait Index in line with other GCC markets lost heavily during the year, declining 38%. After a positive first half, Kuwait lost ground in 2H08, with all sectoral indices taking a severe beating. The Kuwait Price Index lost 12.3% in December, representing the sixth consecutive monthly loss of 2008.
- The Investment index, mirroring the turmoil in the financial markets across the globe, declined 53.2%. The Food index also declined 47.6%, as commodity prices, which were on an uptrend in the first half of 2008, cooled off significantly during the second half. The Insurance index was the only index that managed to remain relatively flat in 2008, declining just 3.6%.
- AUM's declined by 27% from April levels to USD 4.67 bn in December 2008, representing the lowest contraction in AUM among GCC equity funds.
- Tharwa Investment Fund (Tharwa Investment Company) emerged ahead with an annual loss of 11.4%.
- Among Islamic funds, Tharwa Islamic Fund (Tharwa Investment Co) emerged ahead with a loss of 27.2%.

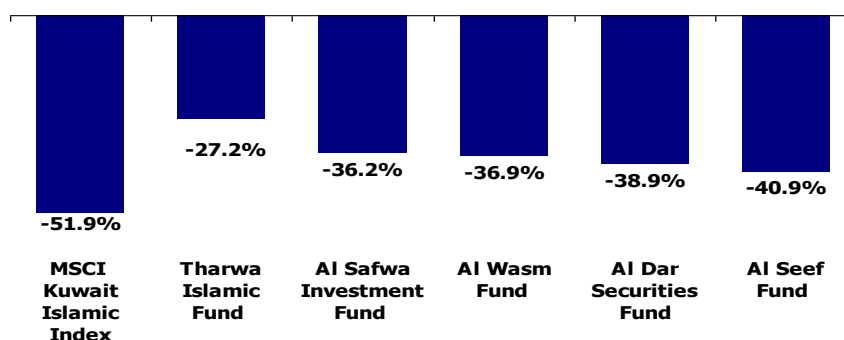
MSCI Kuwait Index and MSCI Kuwait Islamic Index reported losses of 47.4% and 51.9%, respectively, in 2008

**Figure 13: Top Five Conventional Funds (2008)**



Source: Zawya, Bloomberg & MSCI

**Figure 14: Top Five Islamic Funds (2008)**



Source: Zawya, Bloomberg & MSCI

Kuwaiti funds were severely affected by the spread of the liquidity crisis to GCC countries which resulted in liquidity questions arising for many local firms and banks. The continuous decline in the Kuwait Stock Price index during the second half of the year adversely affected the performance of these funds. The Kuwait Stock Price index's closed the year with a 38% decline while the Weighted index plunged 43% for the year.

**Table 10: Top Five Fund Managers (in terms of AUM in Dec- 2008)**

<b>Fund Manager</b>	<b>AUM (\$ Mn)</b>	<b>Fund Manager Focus</b>	<b>Market Share</b>
National Investments Company	921	Kuwait	19.7%
Kuwait Financial Centre	854	Kuwait	18.3%
Kuwait Investment Company	842	Kuwait	18.0%
Global Investment House	605	Kuwait	13.0%
Coast Investment and Development Company	353	Kuwait	7.6%

**Source:** Markaz Research

### Conventional Kuwait Funds

All top five conventional funds outperformed the MSCI Kuwait Index with Tharwa Investment Fund (Tharwa Investment Company) emerging ahead with an annual loss of 11.43% (Table - 11). The Fund held 77.17% of its assets in Cash in December, but had begun increasing its allocation to cash in September of 2008 when it increased cash holdings to 65% following an allocation of just 4% in August. The fact that the fund began hoarding cash in September kept it immune from the severe market downturn in the last quarter of 2008. The Funds top holdings were Boubyan Bank, National Company for Consumer Industries, Gulf Cable & Electrical Industries, and Boubyan Petrochemicals (percentage allocations were not given).

**Table 11: Top Five Conventional Funds (2008)**

<b>Fund Name</b>	<b>Fund Manager</b>	<b>Inception</b>	<b>AUM (\$ Mn)</b>	<b>Performance (%)</b>	
				<b>2008</b>	<b>2007</b>
Tharwa Investment Fund	Tharwa Investment Company	May-07	31	-11.43%	7.62%
Al Ahli Kuwaiti Fund	Al Ahli Bank of Kuwait	Feb-03	150	-27.88%	38.73%
Al Rou'yah Fund	Kuwait and Middle East Financial Investment Company	Jun-02	14	-29.86%	33.14%
Burgan Equity Fund	Burgan Bank	Dec-01	322	-30.43%	27.27%
NBK Kuwait Equity Fund	National Bank of Kuwait	Jun-07	NA	-36.39%	-3.00%

**Source:** Markaz Research

Among conventional funds (whose holdings were given), the top five equity holdings were Kuwait Finance House (KFH), National Bank of Kuwait (NBK), Mobile Telecommunications Co (ZAIN), Boubyan Petrochemicals, and National Industries Group (NIG) in that order (Table -

12). KFH continued as the most preferred equity with 9 funds holding the stock. NBK and Zain were held by 8 funds.

**Table 12: Top Five Holdings of Conventional Funds (Dec-2008)**

	Kuwait Finance House	National Bank of Kuwait	Mobile Telecom (Zain)	Boubyan Petrochemicals	National Industries Group
Tharwa Investment Fund				X	
Al Ahli Kuwaiti Fund			X		X
Al Rou'yah Fund	N/A	N/A	N/A	N/A	N/A
Burgan Equity Fund	X	X			
NBK Kuwait Equity Fund#					

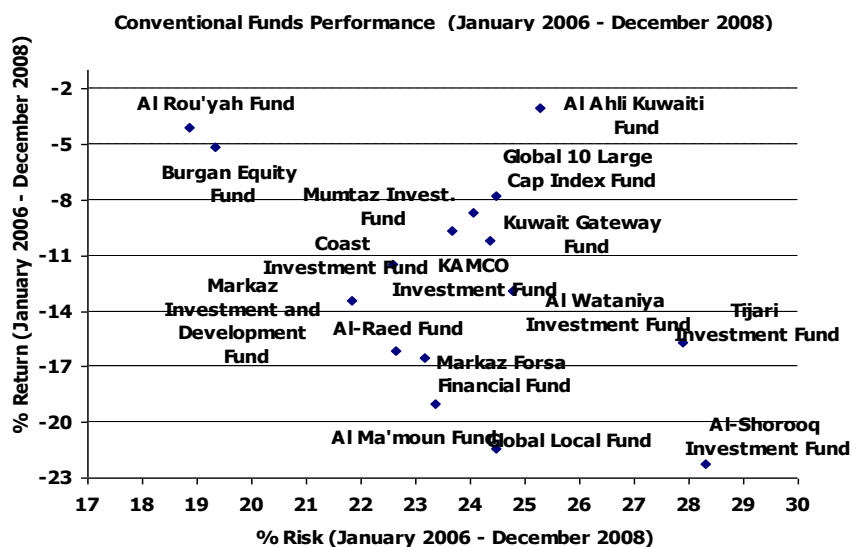
# Fund doesn't have holdings in top five equities; \* Top holdings not specified fact sheet; N/A - Fact sheet Not Available

Source: Markaz Research

Al Ahli Kuwaiti Fund reported an annualized loss of 3.04% with a corresponding risk of 25.28% over a three-year horizon

Al Ahli Kuwaiti Fund (Al Ahli Bank of Kuwait) registered the highest Sharpe ratio (0.12) over a three-year horizon (Figure - 15).

**Figure 15: Risk Return Profile of Conventional Mutual Funds**



Source: Markaz Research

### Islamic Kuwait Funds

All top five Islamic funds outperformed the MSCI Kuwait Islamic Index with Tharwa Islamic Fund (Tharwa Investment Co) emerging ahead with annual loss of 27.16% (Table - 13). The fund held 75% of its assets in Cash in December, while having exposure of 22.7% and 2.31% in the Banks and Investments sectors, respectively. The Fund's top holdings were Boubyan Bank, Aref Investment Group and Securities House Company.

**Table 13: Top Five Islamic Funds (2008)**

Fund Name	Fund Manager	Inception	AUM (\$ Mn)	2008	2007
Tharwa Islamic Fund	Tharwa Investment Company	Jun-07	18	-27.16%	0.47%
Al Safwa Investment Fund	National Investments Company	May-02	160	-36.24%	26.45%
Al Wasm Fund	Kuwait Finance and Investment Company	Jun-05	12	-36.90%	32.40%
Al Dar Securities Fund	Al Dar Asset Management	Oct-04	52	-38.93%	19.84%
Al Seef Fund	Bank Al Bilad	Jan-06	17	-40.92%	32.26%

Source: Markaz Research

Kuwait Finance House continued to be the top equity held by Kuwaiti Islamic funds

The most preferred equities among Islamic funds were Kuwait Finance House (KFH), First Investment Company, Aref Investment Group, Mobile Telecommunications (ZAIN), and Gulf Investment House in that order (Table –14). Of the five top equities, Tharwa Islamic Fund, had exposure only to Aref Investment Group.

**Table 14: Top Five Holdings of Islamic Funds (Dec-2008)**

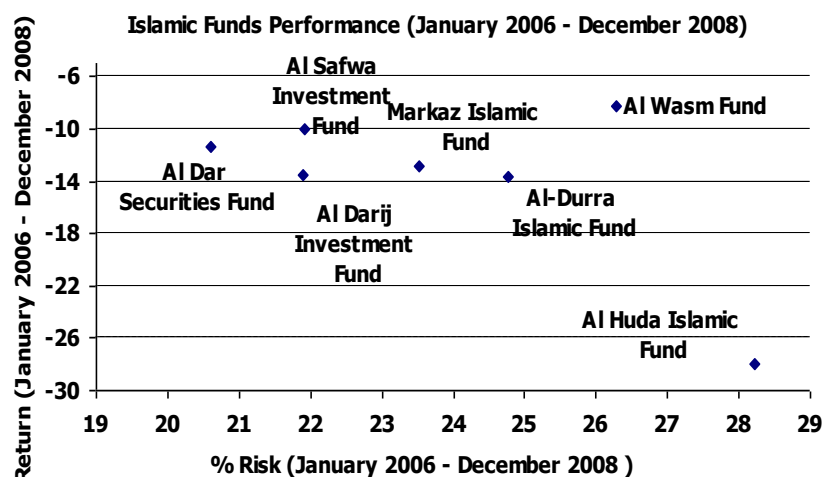
	Kuwait Finance House	First Investment Co	Aref Investment Group	Mobile Telecom (ZAIN)	Gulf Investment House
Tharwa Islamic Fund			X		
Al Safwa Investment Fund	X	X			X
Al Wasm Fund	X				
Al Dar Securities Fund	N/A	N/A	N/A	N/A	N/A
Al Seef Fund	N/A	N/A	N/A	N/A	N/A

# Fund doesn't have holdings in top five equities; \* Top holdings not specified fact sheet; N/A - Fact sheet Not Available

Source: Markaz Research

Al Wasm Fund (Kuwait Finance & Investment Company) registered a Sharpe ratio of (0.31) for the three year period (Figure -16)

**Figure 16: Risk Return profile of Islamic Mutual Funds**



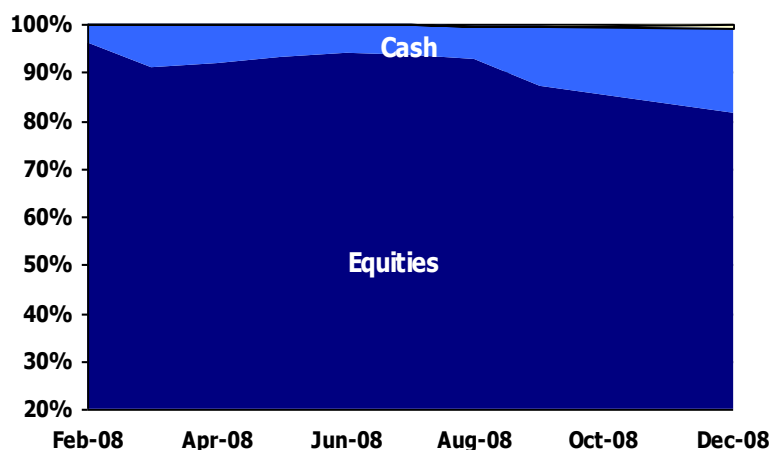
Al Safwa Islamic Fund reported annualized returns of 5.6% with a corresponding risk of 25.4% for September

Source: Markaz Research

Kuwait equity funds decreased their exposure to equity from 92.8% in August to 82% in December, thereby significantly increasing the proportion of free cash held to 18% (Figure – 17). Volatile market conditions led fund managers to hold assets in cash rather than invest in equities. 0.88% of assets were also held in bonds.

**Figure 17: Asset Allocation Trends – Kuwait Equity Funds (2008)**

Fund managers further reduced their equity exposure to 82% in December from 92.8% in August



Source: Markaz Research

# Qatar Equity Funds

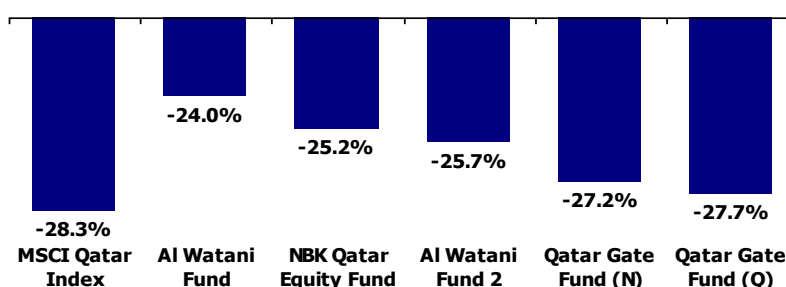
AUM Shrink By 56% from April 2008

## Key Highlights

- Qatar's Doha Securities Market (DSM) declined 28.1% in 2008, due to weak investor sentiment caused by the credit crisis. The DSM witnessed a mixed year as stocks rallied in the first half of the year, but gave up all the gains and entered into negative territory during the second half.
- The Insurance segment (down 55.0%) was among the top losers on the DSM, as the sector turned in an extremely weak performance in 2008, barring the second quarter when it had registered a gain. The Services index was the second-biggest loser on the DSM, declining by 37.3%.
- AUM's for Qatari equity funds shrank by 56% from April 2008 levels, to equal USD 250 mn in December 2008.
- Among conventional funds, Al Watani Fund (Qatar National Bank) was the best performer for the year with a loss of 24.0%, outperforming the MSCI Qatar Index, which lost 28.3%.
- Among Islamic funds, Al-Beit Al-Mali Shariah Compliant Fund (Qatar National Bank) was the best performer, limiting its loss to 21.41%, versus the benchmark MSCI Qatar Islamic Index loss of 28%.

The Insurance segment was among the top losers on the DSM

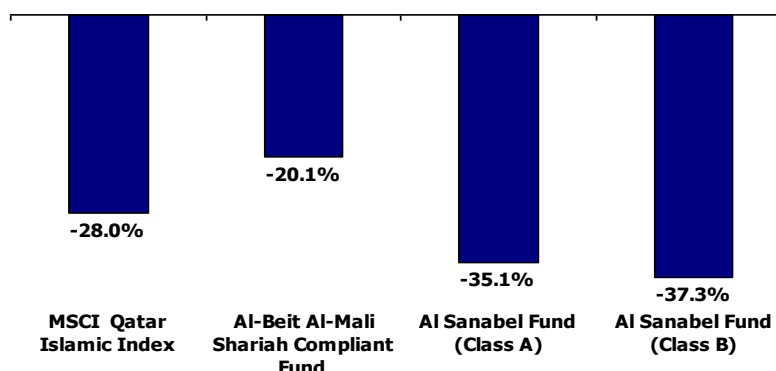
**Figure 18: Top Five Conventional Funds (2008)**



The benchmark indices, MSCI Qatar Fund and MSCI Qatar Islamic Fund, lost 28.3% and 28%, respectively.

Source: Zawya, Bloomberg & MSCI

**Figure 19: Islamic Funds (2008)**



Source: Zawya, Bloomberg & MSCI



### Conventional Qatar Funds

Al Watani Fund reported a loss of 23.98% and ended the year as the best performer.

Among conventional funds, Al Watani Fund (Qatar National Bank) was the top performer with a loss of 24% during the year (Table-15). In December, it made the highest allocation to Banking (53.0%), 22.69% to Industry, 19.3% to Services and it held 5.1% as Cash and cash equivalent.

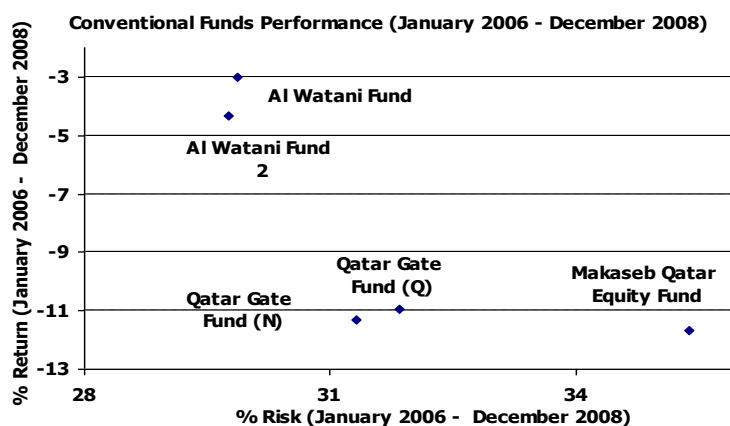
**Table 15: Top Five Conventional Funds (2008)**

Fund Name	Fund Manager	Inception	AUM (\$ Mn)	2008	2007
Al Watani Fund	Qatar National Bank	Oct-05	23	-23.98%	36.21%
NBK Qatar Equity Fund	National Bank of Kuwait	May-06	50	-25.18%	51.72%
Al Watani Fund 2	Qatar National Bank	Oct-05	21	-25.69%	33.72%
Qatar Gate Fund (N)	Amwal	Sep-05	19	-27.22%	36.09%
Qatar Gate Fund (Q)	Amwal	Sep-05	5	-27.67%	38.81%

Source: Markaz Research

Al Watani Fund (Qatar National Bank) generated a Sharpe ratio of (0.10) over the past three years (Figure - 20).

**Figure 20: Risk Return Profile of Conventional Mutual Funds**



The top three funds for the year had exposure to the Banking & Financial sector.

Source: Markaz Research

### Islamic Qatar Funds

Al-Beit Al-Mali Shariah Compliant Fund (Qatar National Bank) was the best performing Islamic Qatar Fund (Table – 16), registering a loss of 20.10% in 2008. The Fund also had a 51.7% allocation to the Services sector followed by 26.2% in the Banking sector.

**Table 16: Top Islamic Funds (2008)**

Fund Name	Fund Manager	Inception	AUM (\$ Mn)	2008	2007
Al-Beit Al-Mali Shariah Compliant Fund	Qatar National Bank	Sep-06	22	-20.1%	21.41%
Al Sanabel Fund (Class A)	Global Investment House	Jan-08	18	-35.10%	NA
Al Sanabel Fund (Class B)	Global Investment House	Jan-08	2	-37.30%	NA

Source: Markaz Research

Among Islamic funds, Al-Beit Al-Mali Shariah Compliant Fund was the best performer, registering a loss of 20.10% in 2008.

# UAE Equity Funds

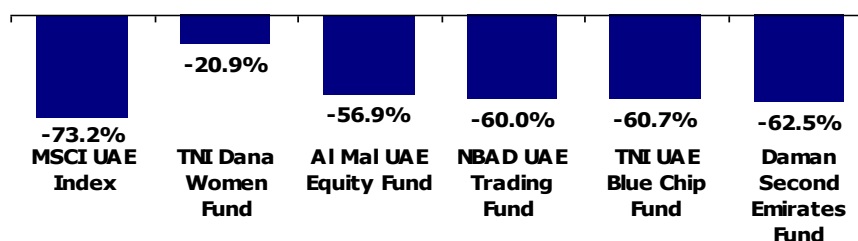
AUM Shrink By 62% from April 2008

## Key Highlights

MSCI UAE and MSCI UAE Islamic indices lost 73.2% and 81.2%, respectively, during 2008

- Stock markets in Dubai (DFM) and Abu Dhabi (ADX) effectively collapsed in 2008 as investors dumped stocks amid fears of a recession in the US and around the world. The ADX and DFM ended the year with losses of 48% and 73%, respectively.
- Among sectoral indices, the Energy Index (of the ADX) was the biggest loser in 2008 with a loss of 70%, while Insurance managed to stay in the green with a gain of 7%. In Dubai it was neck-and-neck for the Real Estate and Utilities sectors, in terms of worst performer, with annual losses of 83% and 84%, respectively.
- AUM's for UAE equity funds plunged 62% from April 2008 to equal USD 660 mn in December.
- TNI Dana Women Fund (The National Investor), the best performing conventional fund for the year, lost 20.9%, a substantial outperformance of the MSCI UAE Index which plunged 73%.
- In the Shariah-Compliant Funds category, NBAD UAE Islamic Fund (National Bank of Abu Dhabi) shed 57.5%; narrowly beating out Daman Islamic Fund as best performer for the year, and outperforming the MSCI UAE Islamic Index, which plummeted 81.2%, by a wide margin.

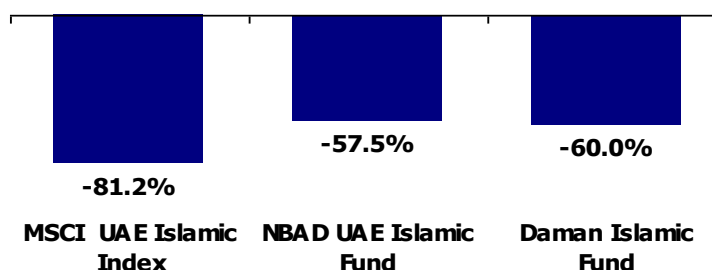
**Figure 21: Top Five Conventional Funds (2008)**



Energy sector in Abu Dhabi and Utilities in Dubai were the worst performing sectors

Source: Zawya, Bloomberg & MSCI

**Figure 22: Top Islamic Funds (2008)**



Source: Zawya, Bloomberg & MSCI

National Bank of Abu Dhabi, with USD355 Mn assets under management, had a market share of 54.2% in December

During the year (specifically the second half), markets hemorrhaged as investors (foreign and local) began aggressively dumping stocks in the face of a severe global downturn. In 2008, the ADX and DFM lost 48% and 73%, respectively. The MSCI UAE Index mirrored the DFM, losing 73.2% for the year. The MSCI UAE Islamic index lost a whopping 81.2%. Due to this abysmal performance, equity funds posted severe losses, declining 65% on a weighted average basis.

**Table 17: Top Five Fund Managers (in terms of AUM in Dec 2008)**

Fund Manager	AUM (\$ Mn)	Fund Manager Focus	Market Share
National Bank of Abu Dhabi	355	UAE	54.2%
Abu Dhabi Commercial Bank	110	UAE	16.8%
Shuaa Capital	87	UAE	13.2%
Al Mal Capital	39	UAE	6.0%
The National Investor	33	UAE	5.1%

Source: Markaz Research

### Conventional UAE Funds

TNI Dana Women Fund (The National Investor) was the top performing conventional fund for the year, with a loss of 20.88% reversing its gains of 2007 (Table – 18). In December 2008, the fund had an exposure of 55% to the GCC, 45% in Cash and nil in International markets. In terms of assets, the fund held the majority in Cash, followed by Fixed Income (31%) and GCC Equities (18%), with the remaining 6% in IPO's.

TNI Dana Women Fund was the best performer in 2008 with a loss of 20.88%

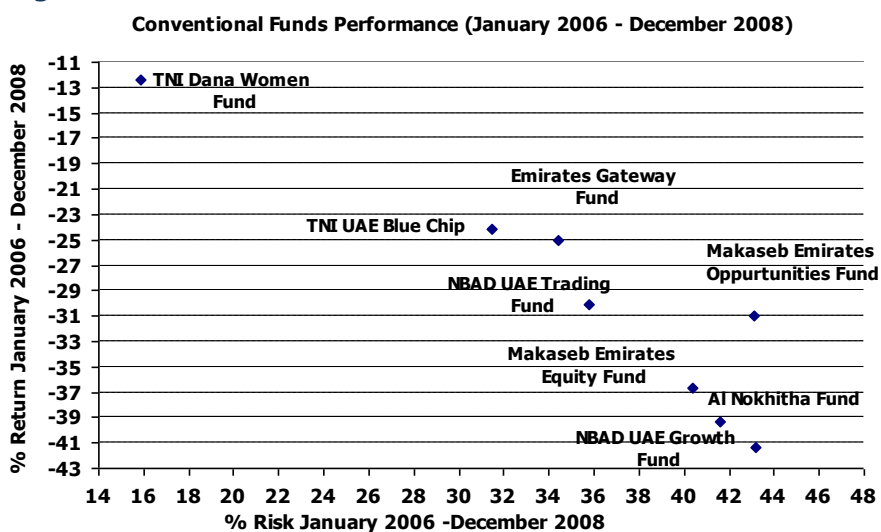
**Table 18: Top Five Conventional Funds (2008)**

Fund Name	Fund Manager	Inception	AUM (\$ Mn)	Performance (%)	
				2008	2007
TNI Dana Women Fund	The National Investor	Jul-05	4	-20.88	21.06
Al Mal UAE Equity Fund	Al Mal Capital	Mar-06	20	-56.88	50.58
NBAD UAE Trading Fund	National Bank of Abu Dhabi	Jan-04	131	-60.00	60.31
TNI UAE Blue Chip Fund	The National Investor	Apr-05	35	-60.65	54.68
Daman Second Emirates Fund	Daman Investments	Feb-07	55	-62.54	24.24

Source: Markaz Research

Among conventional funds, Makaseb Emirates Opportunities Fund (Mashreq Bank) had the highest Sharpe ratio (0.72) over the last three years. (Figure - 23).

**Figure 23: Risk Return Profile of Conventional Mutual Funds**



Source: Markaz Research

### Islamic UAE Funds

In 2008, NBAD UAE Islamic Fund was the top performer, with a loss of 57.45%

NBAD UAE Islamic Fund (National Bank of Abu Dhabi) was the best performing Islamic fund in 2008, with an annual loss of 57.45% (Table 19). The fund had a sector allocation of 45.6% to Telecoms, 22.4% to Real Estate and 17.5% to Banks in December 2008. The Fund does not disclose the names of its top holdings, but its 1<sup>st</sup> holding has an allocation of 30.4% followed by 5.8% for the 2<sup>nd</sup>.

**Table 19: Top Islamic Funds (2008)**

Fund Name	Fund Manager	Inception	AUM (\$ Mn)	2008	2007
NBAD UAE Islamic Fund	National Bank of Abu Dhabi	Jan-05	41	-57.45	40.43
Daman Islamic Fund	Daman Investments	May-07	55	-60.02	14.33

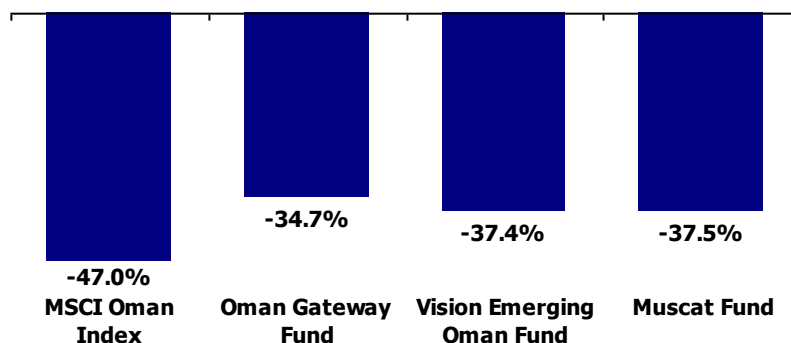
Source: Markaz Research

# Oman Equity Funds

AUM Shrink By 53% from April 2008

**Figure 24: Oman Equity Funds (2008)**

MSCI Oman Index posted its loss on YoY basis, declining 47.0% during 2008



Source: Markaz Research

The Muscat Securities Market (MSM), like all the other GCC markets, was affected by the tough global economic environment. The index registered a double-digit loss of 13.1% in December, ending the year with steep declines in all its major indices. For 2008, the benchmark MSM-30 index declined 39.8% and closed at 5,441. For the year, the Banking & Investment, Industrial and Services & Insurance indices declined 46.2%, 46.9% and 28.5%, respectively.

Assets under management (AUM's) for Omani equity funds declined by 53% from April 2008 levels to equal USD 70 mn.

Oman Gateway Fund (Shuaa Capital) showed a loss of 34.71% for the year and emerged as the best performer (Table - 20). 26.08% of assets were allocated to cash, 22.73% for Banking and Finance and 22.02% for Manufacturing Sector. Top holdings included Omantel (14.57%), BankMuscat (13.46%) and Renaissance Services Holding (6.33%).

**Table 20: Omani Conventional Funds (2008)**

Fund Name	Fund Manager	Inception	AUM (\$ Mn)	Performance (%)	
				2008	2007
Oman Gateway Fund	Shuaa Capital	Jul-04	19	-34.71%	51.77%
Vision Emerging Oman Fund	Vision Investment Services Company	Aug-07	24	-37.41%	32.27%
Muscat Fund	BankMuscat	Dec-95	28	-37.50%	64.43%

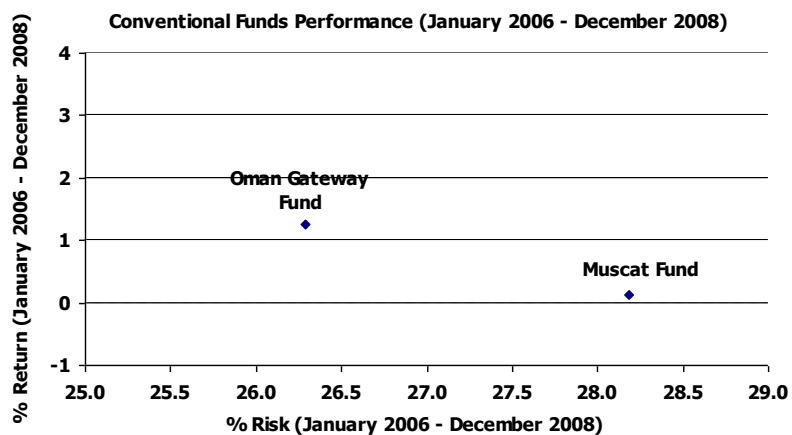
Source: Markaz Research

Oman Gateway Fund had the highest rate of cash allocation 26.08% between the top three funds.

Oman Gateway Fund (Shuaa Capital) registered a Sharpe ratio of 0.05 over the last three years (Figure – 25).

**Figure 25: Risk Return Profile of Omani Mutual Funds**

Oman Gateway Fund registered an annualized return of 1.27% over a three-year horizon, with an annualized risk of 26.3%

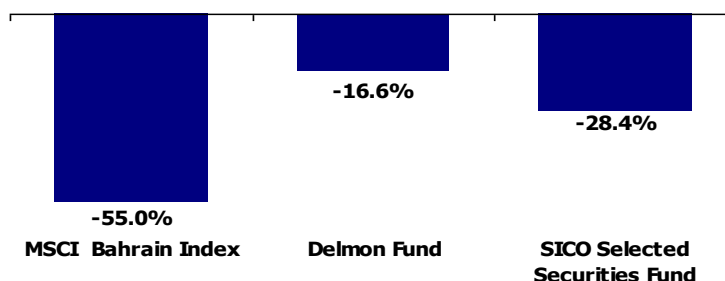


Source: Markaz Research

# Bahrain Equity Funds

AUM Shrink By 75% from April 2008

**Figure 26: Bahrain Equity Funds (2008)**



**Source:** Markaz Research

The MSCI Bahrain index lost 55.0% in 2008. Furthermore, Bahraini equity funds posted a weighted average loss of 6.6% YoY during December. However, funds significantly outperformed the MSCI Bahrain index.

Delmon Fund continued to be the top performer, with a loss of 16.57% in 2008.

AUM's for Bahraini funds suffered the worst decline among GCC equity funds, shrinking by 75% from April 2008 to equal USD 10 mn in December 2008. Delmon Fund (Global Investment House) posted a loss of 16.57% in 2008 (Table - 21). The fund's top holdings for the month of December were Bahrain Telecommunications, Ahli United Bank, and Bank of Bahrain & Kuwait. The percentage holding of these companies were not provided in the fact sheet.

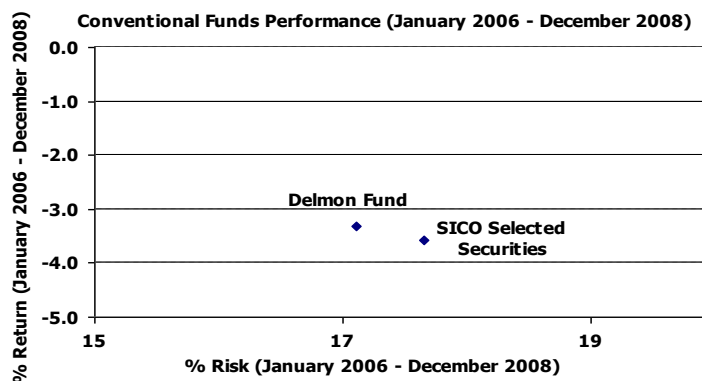
**Table 21: Bahrain Equity Funds (2008)**

Fund Name	Fund Manager	Inception	AUM (\$ Mn)	2008	2007
Delmon Fund	Global Investment House	Oct-04	6	-16.57%	23.00%
SICO Selected Securities	Securities & Investment Company	May-98	9	-28.40%	31.36%

**Source:** Markaz Research

Over a three-year period (January 2006 to December 2008), Delmon Fund (Global Investment House) had a Sharpe ratio of (0.20) (Figure – 27).

**Figure 27: Risk Return Profile of Bahraini Mutual Funds**



**Source:** Markaz Research

SICO Selected Securities Fund's annualized return fell to single-digit figures with a corresponding increase in risk over a three-year horizon.

## Appendix 1: GCC Equity Funds Statistics Sharia compliant Funds

Fund Name	Fund Manager	Inception	Fund Size (USD Mn)	Asset Allocation				Geographic Allocation							Performance (%)					
				Cash	Equities	Bonds	Total	Saudi Arabia	Kuwait	UAE	Qatar	Oman	Bahrain	Other Mena	Total	Dec-08	2008	2007	CAGR1	LTM Risk2
1 Riyadh Gulf Fund	Riyad Capital	Feb-06	116	3%	97%	0%	100%	0%	29%	37%	20%	4%	10%	0%	100%	2.44%	-44.29%	44.88%	-16.52%	34.49%
2 AlRajhi GCC Equity Fund	Al Rajhi Bank Kuwait Finance and Investment Company	Oct-05	104	0%	100%	0%	100%	33%	45%	7%	10%	5%	0%	0%	100%	3.84%	-42.44%	64.37%	-12.55%	35.17%
3 AlBasha'er GCC Equity Fund	NCB Capital	Jan-06	84	0%	100%	0%	100%	10%	49%	30%	6%	0%	5%	0%	100%	-9.16%	-42.20%	53.07%	-7.50%	26.65%
4 AlAhli GCC Trading Equity Fund	Global Investment House	Oct-05	83	36%	64%	0%	100%	47%	19%	19%	8%	3%	5%	0%	100%	4.36%	-49.00%	58.86%	-18.52%	36.17%
5 Global GCC Islamic Fund	Samba Financial Group	Jul-07	36	42%	58%	0%	100%	64%	0%	7%	28%	0%	0%	0%	100%	1.98%	-38.84%	12.97%	-21.79%	36.01%
6 Al Raed GCC fund	Saudi British Bank	Oct-06	30	NA	NA	NA	NA	47%	21%	16%	11%	0%	5%	0%	100%	1.74%	-44.16%	79.82%	-5.77%	37.50%
7 Amanah GCC Equity Fund	Jadwa Investment	Apr-06	23	0%	100%	0%	100%	60%	6%	10%	17%	7%	2%	0%	100%	6.72%	-55.78%	83.58%	-17.87%	45.75%
8 Jadwa Arab Markets Equity Fund	Shuaa Capital	Jun-07	12	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	100%	2.76%	-41.12%	42.19%	-11.12%	34.61%
9 Arab Islamic Gateway	Jadwa Investment	Sep-06	12	40%	60%	0%	100%	44%	9%	10%	28%	3%	2%	2%	100%	-3.19%	-47.44%	47.65%	-12.71%	35.03%
10 Jadwa GCC Equity Fund	CAAM Saudi Fransi Securities & Investment Company	Jun-07	11	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	100%	2.57%	-40.79%	42.11%	-10.82%	35.28%
11 AlDana GCC Equity Fund	Saudi Investment Bank	Apr-06	7	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	100%	-0.82%	-47.36%	60.99%	-10.23%	29.55%
12 Al Aseel Islamic Equity Fund	Al Tawfeek Company for Investment Funds	Sep-05	6	66%	34%	0%	100%	42%	1%	8%	6%	0%	14%	29%	100%	-0.20%	-38.10%	35.21%	-10.40%	28.73%
13 Gulf Industrial Companies Fund	Investment Funds	Apr-05	3	3%	97%	0%	100%	67%	8%	2%	22%	1%	0%	0%	100%	13.22%	-59.03%	63.14%	-21.66%	48.22%
14 Al-Tawfeek Gulf Equity Fund		Aug-05	2	33%	67%	0%	100%	59%	6%	6%	20%	6%	0%	2%	100%	0.53%	-43.81%	48.41%	48.41%	36.72%
<b>Total</b>			<b>531</b>	<b>21%</b>	<b>79%</b>	<b>0%</b>	<b>100%</b>	<b>43%</b>	<b>17%</b>	<b>14%</b>	<b>16%</b>	<b>3%</b>	<b>4%</b>	<b>3%</b>	<b>100%</b>					

1 - CAGR: Compounded Annual Growth Rate, 2 - LTM Risk: Standard Deviation of returns for the last 12 Months  
\* Fund size is not available

## Conventional Funds

Fund Name	Fund Manager	Inception	Fund Size (USD Mn)	Asset Allocation				Geographic Allocation							Performance (%)					
				Cash	Equities	Bonds	Total	Saudi Arabia	Kuwait	UAE	Qatar	Oman	Bahrain	Other Mena	Total	Dec-08	2008	2007	CAGR 1	LTM Risk2
1 Arab Gateway Fund	Shuaa Capital	Dec-99	186	45%	55%	0%	100%	42%	14%	16%	19%	3%	0%	5%	100%	-0.39%	-53.14%	49.28%	8.49%	41.17%
2 NBK Gulf Equity Fund	National Bank of Kuwait	Jun-05	136	92%	8%	0%	100%	57%	2%	0%	28%	13%	1%	0%	100%	0.33%	-34.73%	42.26%	-0.77%	24.11%
3 Al Museham GCC Fund	Samba Financial Group	Oct-06	121	NA	NA	NA	NA	47%	17%	28%	9%	0%	0%	0%	100%	-1.50%	-53.84%	80.84%	-10.12%	40.27%
4 Alpha Mena Fund	Algebra Capital	Oct-07	112	3%	97%	0%	100%	39%	2%	22%	26%	2%	0%	10%	100%	6.99%	-62.66%	14.56%	N/M	48.01%
5 Global GCC Large Cap Fund	Global Investment House	Feb-05	103	54%	46%	0%	100%	55%	3%	13%	29%	0%	0%	0%	100%	0.76%	-46.24%	48.92%	-4.31%	35.51%
6 Gulf Premier Fund	Gulf Investment Corporation	Apr-03	78	5%	95%	0%	100%	44%	24%	8%	14%	8%	2%	0%	100%	-6.72%	-53.29%	43.24%	8.40%	40.19%
7 AlAhli Gulf Fund	AlAhli Bank of Kuwait Securities & Investment Company	Nov-03	75	38%	62%	0%	100%	12%	44%	15%	9%	1%	20%	0%	100%	-0.62%	-28.76%	29.57%	7.40%	23.97%
8 Khaleej Equity Fund	Saudi Investment Bank	Mar-04	70	56%	44%	0%	100%	45%	16%	11%	11%	7%	9%	0%	100%	-3.40%	-33.90%	44.13%	10.71%	27.56%
9 GCC Equity Fund	Saudi Investment Bank Securities & Investment Company	Jul-04	58	2%	98%	0%	100%	53%	25%	7%	10%	2%	4%	0%	100%	-0.79%	-54.75%	43.33%	-2.56%	32.71%
10 SICO Gulf Equity Fund	Al Arabi Investment Group	Mar-06	35	63%	37%	0%	100%	0%	35%	16%	8%	30%	11%	0%	100%	-6.60%	-30.80%	37.30%	-4.13%	26.15%
11 Arab Bank Mena Fund	Kuwait Financial Centre	Sep-05	33	8%	89%	3%	100%	38%	18%	10%	10%	1%	1%	22%	100%	-1.53%	-47.34%	28.88%	-12.47%	27.85%
12 Markaz Gulf Fund	Societe Generale Asset Management	Jan-06	31	30%	70%	0%	100%	36%	13%	19%	19%	7%	3%	4%	100%	-3.80%	-40.00%	48.40%	-10.44%	26.12%
13 SGAM Oasis MENA Fund	Vision Investment Services Co	Nov-07	30	6%	94%	0%	100%	16%	7%	31%	29%	3%	0%	13%	100%	0.80%	-51.95%	7.26%	N/M	N/M
14 Vision Emerging GCC Fund	National Bank of Abu Dhabi	May-05	27	13%	87%	0%	100%	37%	14%	10%	13%	15%	8%	3%	100%	-4.19%	-41.34%	56.49%	2.38%	31.23%
15 NBAD GCC Opportunities Fund	BankMuscat	Feb-08	26	2%	98%	NA	100%	46%	14%	11%	15%	14%	0%	0%	100%	-2.10%	-72.10%	NA	N/M	N/M
16 Oryx Fund	Makaseb	Jul-94	23	38%	62%	0%	100%	56%	0%	3%	26%	10%	3%	0%	98%	-0.60%	-38.50%	40.14%	0.76%	34.83%
17 Makaseb arab Tigers Fund	Securities & Investment Company	Nov-05	19	9%	91%	0%	100%	60%	2%	18%	7%	4%	0%	8%	100%	1.40%	-51.20%	40.10%	-17.47%	36.91%
18 SICO Arab Financial Fund	Commercial Bank of Kuwait	Aug-07	16	61%	39%	0%	100%	13%	18%	0%	0%	18%	33%	18%	100%	-3.60%	-29.90%	20.72%	-11.16%	23.81%
19 Tijari GCC Equity Fund	Audi Saudi Arabia	Jan-06	16	13%	87%	0%	100%	36%	43%	0%	21%	0%	0%	0%	100%	-0.42%	-52.03%	39.96%	-21.34%	30.28%
20 Arabian Opportunities Fund	Meridio AG	Sep-07	15	39%	61%	0%	100%	66%	3%	10%	16%	NA	NA	5%	100%	1.04%	-45.33%	24.77%	-25.94%	35.92%
21 Meridio ArabWorld Fund	Daman Securities	Mar-07	11	4%	96%	0%	100%	7%	28%	25%	14%	8%	0%	18%	100%	-7.59%	-50.12%	20.80%	-24.13%	34.77%
22 Arabian Programmed Trading Fund	TAIB Securities	Feb-05	10	32%	68%	0%	100%	33%	26%	27%	14%	0%	0%	0%	100%	0.00%	-57.05%	30.77%	-21.59%	37.57%
23 TAIB GCC Bluechip Fund	Kuwait and Middle East Financial Investment Co.	Jun-03	3	30%	70%	0%	100%	47%	18%	6%	29%	0%	0%	0%	100%	1.90%	-56.50%	43.99%	-1.32%	36.80%
24 Gulf Gate Fund*		Aug-06	NA	44%	46%	10%	100%	24%	41%	11%	19%	4%	0%	0%	100%	-3.28%	-30.78%	24.00%	-6.27%	20.10%
<b>Total</b>			<b>1,236</b>	<b>30%</b>	<b>70%</b>	<b>1%</b>	<b>100%</b>	<b>38%</b>	<b>18%</b>	<b>13%</b>	<b>16%</b>	<b>6%</b>	<b>4%</b>	<b>4%</b>	<b>100%</b>					

1 - CAGR: Compounded Annual Growth Rate, 2 - LTM Risk: Standard Deviation of returns for the last 12 Months  
\* Fund size is not available

Source: Markaz Analysis, Zawya, Lipperweb, Stock Exchange websites



## Appendix 2: Saudi Equity Funds Statistics Sharia compliant Funds

Fund Name	Fund Manager	Inception	Fund Size (USD Mn)	Asset Allocation				Performance (%)					
				Cash	Equities	Bonds	Total	Dec-08	2008	2007	CAGR <sup>1</sup>	LTM Risk <sup>2</sup>	
1 Amanah Saudi Equity Fund	HSBC Saudi Arabia	May-04	745	0%	100%	0%	100%	9.24%	-53.18%	51.40%	0.82%	44.66%	
2 SAMBA Saudi Equity Fund (Al Raed Fund)	Samba Financial Group	Dec-02	602	NA	NA	NA	NA	11.30%	-51.70%	50.59%	12.99%	47.16%	
3 Riyadh Equity Fund 2	Riyad Capital	Nov-96	471	0%	100%	0%	100%	11.73%	-54.38%	57.46%	11.75%	47.10%	
4 AlAhli Saudi Trading Equity Fund	NCB Capital	Jun-98	367	5%	95%	0%	100%	8.06%	-51.50%	43.69%	14.29%	43.61%	
5 Asayel Fund	Bank Al Bilad	Jan-06	196	10%	90%	0%	100%	11.87%	-45.80%	34.15%	-35.35%	35.57%	
6 Al Rajhi Local Shares Fund	Al Rajhi Bank	Jul-92	133	NA	NA	NA	NA	-0.33%	-45.14%	69.40%	-17.61%	37.31%	
8 Al-Saffa Saudi Equity Trading	CAAM Saudi Fransi	Jul-05	72	NA	NA	NA	NA	8.87%	-53.84%	57.89%	-23.51%	46.47%	
7 Al Mubarak Pure Saudi Equity Fund	Arab National Bank	Nov-05	64	NA	NA	NA	NA	5.09%	-40.46%	23.56%	-27.19%	34.28%	
9 Falcom Saudi Equity Fund	FALCOM Financial Services	Apr-07	62	NA	NA	NA	NA	11.54%	-37.86%	40.38%	-9.09%	41.95%	
10 SHB: Saudi Equity Trading Fund	Saudi Holandi Capital Company	Jul-95	58	NA	NA	NA	NA	5.90%	-56.96%	50.24%	-8.00%	48.13%	
11 Amanah Saudi Industrial Fund	HSBC Saudi Arabia	Apr-05	48	0%	100%	0%	100%	13.51%	-58.54%	93.43%	-18.24%	54.97%	
13 Jadwa Saudi Equity Fund	Jadwa Investment	Jun-07	34	6%	94%	0%	100%	2.45%	-43.37%	61.39%	-5.80%	44.67%	
12 AlAhli Saudi Dynamic Trading Equity Fund	NCB Capital	Apr-05	29	100%	0%	0%	100%	-0.09%	-10.68%	11.51%	4.25%	9.73%	
14 Al Taiyebat Saudi Equity Fund	Bank Al Jazira	Dec-99	25	NA	NA	NA	NA	2.96%	-49.00%	22.79%	5.08%	32.64%	
15 Bakheet Saudi Trading Equity Fund	Bakheet Investment Group	May-07	15	NA	NA	NA	NA	2.73%	-47.63%	71.06%	-6.37%	42.82%	
16 Amanah Growth Portfolio	HSBC Saudi Arabia	Jan-05	14	5%	95%	0%	NA	4.60%	-42.36%	33.86%	-2.36%	32.20%	
17 SAIB Saudi Companies Fund	SAIB Asset Management Company	Apr-05	10	6%	94%	0%	100%	8.52%	-55.96%	50.72%	-16.85%	45.20%	
			<b>Total</b>	<b>2,946</b>	<b>15%</b>	<b>85%</b>	<b>0%</b>	<b>100%</b>					

1 - CAGR: Compounded Annual Growth Rate, 2 - LTM Risk: Standard Deviation of returns for the last 12 Months  
\* Fund size is not available

## Conventional Funds

Fund Name	Fund Manager	Inception	Fund Size (USD Mn)	Asset Allocation				Performance (%)					
				Cash	Equities	Bonds	Total	Dec-08	2008	2007	CAGR <sup>1</sup>	LTM Risk <sup>2</sup>	
1 Riyadh Equity Fund 3	Riyad Capital	Dec-00	591	0%	100%	0%	100%	-1.35%	-55.09%	53.44%	17.37%	41.08%	
2 Al Musahem Fund	Samba Financial Group	May-92	187	NA	NA	NA	NA	10.10%	-53.57%	47.92%	10.78%	48.24%	
3 SABB Saudi Equity Fund	HSBC Saudi Arabia	Oct-92	121	0%	100%	0%	100%	8.16%	-55.69%	62.21%	5.48%	46.24%	
4 Riyadh Equity Fund 1	Riyad Capital	Dec-92	98	0%	100%	0%	100%	10.36%	-50.97%	58.56%	16.12%	44.00%	
5 SABB Saudi Equity Trading Fund	HSBC Saudi Arabia	Nov-97	76	1%	99%	0%	NA	10.29%	-53.32%	66.48%	8.58%	47.97%	
6 ANB Saudi Companies Fund	Arab National Bank	May-93	58	38%	62%	0%	100%	8.28%	-36.93%	30.32%	10.20%	35.18%	
7 ANB Saudi Equity Fund	Arab National Bank	Apr-92	54	6%	94%	0%	100%	7.32%	-37.48%	25.78%	9.91%	35.06%	
8 Saudi Istithmar Fund	CAAM Saudi Fransi	Apr-93	48	NA	NA	NA	NA	6.01%	-56.81%	56.65%	3.06%	46.80%	
9 Financial Institutions Fund	HSBC Saudi Arabia	Aug-04	41	1%	99%	0%	100%	0.70%	-58.39%	35.91%	-0.07%	47.27%	
10 Bakheet IPO Fund	Bakheet Investment Group	Mar-08	33	NA	NA	NA	NA	2.37%	-42.62%	NA	N/M	N/M	
11 Al Fareed Fund	Samba Financial Group	Dec-03	28	NA	NA	NA	NA	11.41%	-52.22%	71.66%	2.69%	48.27%	
12 SHB Saudi Companies Equity Fund	Saudi Holandi Capital Company	Nov-05	26	NA	NA	NA	NA	3.16%	-54.96%	55.64%	-29.36%	45.15%	
13 SAIB Saudi Equity Fund	SAIB Asset Management Company	Jul-04	22	NA	NA	NA	NA	8.11%	-53.88%	46.54%	-0.04%	43.33%	
14 Saudi Gateway Fund	SHUAA Capital	Jul-07	15	30%	70%	0%	100%	3.89%	-55.21%	35.76%	-28.16%	46.40%	
			<b>Total</b>	<b>1,399</b>	<b>9%</b>	<b>91%</b>	<b>0%</b>	<b>100%</b>					

1 - CAGR: Compounded Annual Growth Rate, 2 - LTM Risk: Standard Deviation of returns for the last 12 Months  
\* Fund size is not available

Source: Markaz Analysis, Zawya, Lipperweb, Stock exchange website

### Appendix 3: Kuwait Equity Funds Statistics Sharia compliant Funds

Fund Name	Fund Manager	Inception	Fund Size (USD Mn)	Asset Allocation				Performance (%)				
				Cash	Equities	Bonds	Total	Dec-08	2008	2007	CAGR <sup>1</sup>	LTM Risk <sup>2</sup>
1 Al-Durra Islamic Fund	Global Investment House	May-04	297	11%	89%	0%	100%	-18.87%	-46.49%	32.77%	7.75%	33.33%
2 Al Safwa Investment Fund	National Investments Company	May-02	160	0%	100%	0%	100%	-14.92%	-36.24%	26.45%	12.13%	27.64%
3 Al Darij Investment Fund	National Investments Company	Jun-03	104	0%	100%	0%	100%	-14.04%	-45.33%	27.68%	11.17%	25.84%
4 Markaz Islamic Fund	Kuwait Financial Centre	Oct-03	83	32%	68%	0%	100%	-15.60%	-44.80%	34.93%	10.49%	28.09%
5 Al Dar Securities Fund	Al Dar Asset Management	Oct-04	52	5%	46%	49%	100%	-10.01%	-38.93%	19.84%	7.07%	27.33%
6 Al Nokhba Fund	Al Dar Asset Management	Oct-07	19	13%	58%	29%	100%	-13.55%	-44.92%	1.61%	-37.23%	26.08%
7 Tharwa Islamic Fund	Tharwa Investment Company	Jun-07	18	75%	25%	0%	100%	-6.40%	-27.16%	0.47%	-18.85%	20.03%
8 Al Seef Fund	Bank Al Bilad	Jan-06	17	NA	NA	NA	NA	-6.71%	-40.92%	32.26%	-11.52%	30.88%
9 Tijari Islamic Fund	Commercial Bank of Kuwait	Jul-06	16	13%	87%	0%	100%	-20.06%	-49.65%	26.20%	-15.60%	34.61%
10 Al Wasm Fund	Kuwait Finance and Investment Company	Jun-05	12	81%	20%	0%	100%	-14.62%	-36.90%	32.40%	-3.11%	25.76%
11 Al Huda Islamic Fund	Gulfinvest International	Jun-02	9	NA	NA	NA	0%	-18.41%	-53.03%	10.15%	1.72%	38.30%
<b>Total</b>			<b>787</b>	<b>25%</b>	<b>66%</b>	<b>9%</b>	<b>100%</b>					

1 - CAGR: Compounded Annual Growth Rate, 2 - LTM Risk: Standard Deviation of returns for the last 12 Months

\* Fund size is not available

### Conventional Funds

Fund Name	Fund Manager	Inception	Fund Size (USD Mn)	Asset Allocation				Performance (%)				
				Cash	Equities	Bonds	Total	Dec-08	2008	2007	CAGR <sup>1</sup>	LTM Risk <sup>2</sup>
1 Al-Raed Fund	Kuwait Investment Company	Oct-01	842	NA	NA	NA	0%	-16.08%	-41.91%	21.42%	15.32%	25.84%
2 Al Wataniya Investment Fund	National Investments Company	Jul-01	657	0%	100%	0%	100%	-15.58%	-49.63%	43.37%	15.91%	27.82%
3 Markaz Investment and Development Fund	Kuwait Financial Centre	Jul-01	376	20%	80%	0%	100%	-15.10%	-42.20%	25.60%	16.50%	26.40%
4 Coast Investment Fund	Coast Investment and Development Company	Mar-02	353	16%	84%	0%	100%	-14.68%	-46.54%	37.32%	-0.90%	26.23%
5 Burqan Equity Fund	Burqan Bank	Dec-01	322	30%	70%	0%	100%	-8.88%	-30.43%	27.27%	8.64%	23.81%
6 Markaz Mumtaz Investment Fund	Kuwait Financial Centre	Dec-99	233	29%	71%	0%	100%	-16.40%	-37.80%	44.46%	24.54%	27.29%
7 Global 10 Large Cap Index Fund	Global Investment House	Nov-00	191	3%	97%	0%	100%	-18.65%	-46.05%	39.43%	16.98%	28.21%
8 KAMCO Investment Fund	Kipco Asset Management Company	Apr-04	176	25%	75%	0%	100%	-10.50%	-41.43%	44.23%	2.38%	26.22%
9 Tijari Investment Fund	Commercial Bank of Kuwait	May-02	169	12%	88%	0%	100%	-20.31%	-50.83%	37.83%	5.82%	31.65%
10 Markaz Forsa Financial Fund	Kuwait Financial Centre	Jun-04	162	15%	85%	0%	100%	-18.00%	-45.10%	20.30%	1.53%	28.73%
11 Al Ahli Kuwaiti Fund	Al Ahli Bank of Kuwait	Feb-03	150	52%	48%	0%	100%	-2.32%	-27.88%	38.73%	16.07%	24.14%
12 Global Local Fund	Global Investment House	Jan-03	82	55%	45%	0%	100%	-12.24%	-45.28%	12.65%	9.78%	31.52%
13 Al-Shorooq Investment Fund	Gulfinvest International	Jul-01	76	NA	NA	NA	NA	-21.83%	-50.77%	18.83%	7.11%	35.05%
14 Al-Ma'moun Fund	Global Investment House	Apr-01	34	65%	35%	0%	100%	-10.46%	-42.19%	16.00%	7.06%	28.66%
15 Tharwa Investment Fund	Tharwa Investment Company	May-07	31	64%	36%	0%	100%	-2.76%	-11.43%	7.62%	-2.29%	23.69%
16 Al Rou'yah Fund	Kuwait and Middle East Financial Investment Comp	Jun-02	14	11%	89%	0%	100%	-7.33%	-29.86%	33.14%	14.74%	18.93%
17 Kuwait Gateway Fund	Shuaa Capital	Nov-05	11	50%	50%	0%	100%	-20.09%	-44.65%	40.31%	-9.18%	30.20%
18 NBK Kuwait Equity Fund*	National Bank of Kuwait	Jun-07	NA	99%	1%	0%	100%	0.04%	-36.39%	-3.00%	-27.12%	28.92%
<b>Total</b>			<b>3,879</b>	<b>34%</b>	<b>66%</b>	<b>0%</b>	<b>100%</b>					

1 - CAGR: Compounded Annual Growth Rate, 2 - LTM Risk: Standard Deviation of returns for the last 12 Months

\* Fund size is not available

Source: Markaz Analysis, Zawya, Lipperweb

## Appendix 4: Qatar Equity Funds Statistics

### Sharia compliant Funds

Fund Name	Fund Manager	Inception	Fund Size (USD Mn)	Asset Allocation				Performance (%)				
				Cash	Equities	Bonds	Total	Dec-08	2008	2007	CAGR <sup>1</sup>	LTM Risk <sup>2</sup>
1 Al-Beit Al-Mali Shariah Compliant Fund	Qatar National Bank	Sep-06	22	5%	95%	0%	100%	10.88%	-21.41%	21.41%	-1.82%	40.86%
2 Al Sanabel Fund (Class A)	Global Investment House	Jan-08	18	15%	85%	0%	100%	9.70%	-35.10%	NA	N/M	46.25%
3 Al Sanabel Fund (Class B)	Global Investment House	Jan-08	2	14%	86%	0%	100%	9.10%	-37.30%	NA	N/M	44.92%
<b>Total</b>			<b>42</b>	<b>11%</b>	<b>89%</b>	<b>0%</b>	<b>100%</b>					

1 - CAGR: Compounded Annual Growth Rate, 2 - LTM Risk: Standard Deviation of returns for the last 12 Months

\* Fund size is not available

Source: Markaz Analysis, Zawya, Lipperweb

### Conventional Funds

Fund Name	Fund Manager	Inception	Fund Size (USD Mn)	Asset Allocation				Performance (%)				
				Cash	Equities	Bonds	Total	Dec-08	2008	2007	CAGR <sup>1</sup>	LTM Risk <sup>2</sup>
1 NBK Qatar Equity Fund	National Bank of Kuwait	May-06	50	77%	23%	0%	100%	3.74%	-25.18%	51.72%	0.05%	32.60%
2 Makaseb Qatar Equity Fund	Mashreq Bank	May-05	47	2%	99%	0%	100%	14.30%	-28.30%	50.44%	-11.42%	44.96%
3 Al Waseela Fund Q	EFG- Hermes	Apr-07	32	36%	64%	0%	100%	8.58%	-30.66%	37.55%	-6.07%	43.27%
4 Al Watani Fund	Qatar National Bank	Oct-05	23	5%	95%	0%	100%	17.07%	-23.98%	36.21%	-3.67%	44.93%
5 Al Watani Fund 2	Qatar National Bank	Oct-05	21	9%	91%	0%	100%	18.34%	-25.69%	33.72%	-5.19%	44.82%
6 Qatar Gate Fund (N)	Amwal	Sep-05	19	4%	96%	0%	100%	11.49%	-27.22%	36.09%	-15.71%	43.93%
7 Al Waseela Fund F	EFG- Hermes	Apr-07	14	39%	61%	0%	100%	8.64%	-28.61%	34.22%	-3.94%	42.69%
8 Qatar Gate Fund (Q)	Amwal	Sep-05	5	2%	98%	0%	100%	11.62%	-27.67%	38.81%	-14.90%	44.38%
<b>Total</b>			<b>210</b>	<b>22%</b>	<b>78%</b>	<b>0%</b>	<b>100%</b>					

1 - CAGR: Compounded Annual Growth Rate, 2 - LTM Risk: Standard Deviation of returns for the last 12 Months

\* Fund size is not available

Source: Markaz Analysis, Zawya, Lipperweb

## Appendix 5: UAE Equity Funds Statistics Sharia compliant Funds

Fund Name	Fund Manager	Inception	Fund Size (USD Mn)	Asset Allocation				Performance (%)				
				Cash	Equities	Bonds	Total	Dec-08	2008	2007	CAGR <sup>1</sup>	LTM Risk <sup>2</sup>
1 Daman Islamic Fund	Daman Investments	May-07	55	62%	39%	0%	100%	-13.00%	-60.02%	14.33%	-39.30%	30.37%
2 NBAD UAE Islamic Fund	National Bank of Abu Dhabi	Jan-05	41	30%	70%	0%	100%	-11.56%	-57.45%	40.43%	-8.79%	26.39%
<b>Total</b>			<b>96</b>	<b>46%</b>	<b>54%</b>	<b>0%</b>	<b>100%</b>					

1 - CAGR: Compounded Annual Growth Rate, 2 - LTM Risk: Standard Deviation of returns for the last 12 Months

\* Fund size is not available

## Conventional Funds

Fund Name	Fund Manager	Inception	Fund Size (USD Mn)	Asset Allocation				Performance (%)				
				Cash	Equities	Bonds	Total	Dec-08	2008	2007	CAGR <sup>1</sup>	LTM Risk <sup>2</sup>
1 NBAD UAE Trading Fund	National Bank of Abu Dhabi	Jan-04	131	18%	82%	0%	100%	-8.27%	-60.00%	60.31%	5.97%	34.57%
2 NBAD UAE Distribution Fund	National Bank of Abu Dhabi	Feb-06	120	0%	100%	0%	100%	-11.06%	-67.70%	56.92%	-25.35%	36.94%
3 Al Nokhitha Fund	Abu Dhabi Commercial Bank	Mar-05	87	-23%	123%	0%	100%	-26.20%	-75.78%	57.90%	-24.57%	47.28%
4 NBAD UAE Growth Fund	National Bank of Abu Dhabi	Oct-00	64	0%	100%	0%	100%	-17.77%	-78.00%	62.97%	2.74%	49.24%
5 Daman Second Emirates Fund	Daman Investments	Feb-07	55	45%	55%	0%	100%	-18.00%	-62.54%	24.24%	-34.76%	35.49%
6 TNI UAE Blue Chip Fund	The National Investor	Apr-05	35	10%	90%	0%	100%	-12.12%	-60.65%	54.68%	-18.74%	37.52%
7 Emirates Gateway Fund	SHUAA Capital	Mar-02	33	38%	62%	0%	100%	-9.63%	-63.01%	54.24%	10.22%	41.34%
8 Al Mal UAE Equity Fund	Al Mal Capital	Mar-06	20	20%	80%	0%	100%	-15.90%	-56.88%	50.58%	-20.34%	36.26%
9 Makaseb Emirates Equity Fund	Mashreq Bank	Feb-05	8	0%	100%	0%	100%	-17.05%	-72.70%	52.19%	-18.96%	44.75%
10 TNI Dana Women Fund	The National Investor	Jul-05	4	39%	26%	35%	100%	-4.72%	-20.88%	21.06%	-5.77%	13.89%
11 Makaseb Emirates Opportunities Fund	Mashreq Bank	May-05	2	93%	7%	0%	100%	-1.20%	-64.60%	57.15%	-29.25%	51.54%
<b>Total</b>			<b>559</b>	<b>22%</b>	<b>75%</b>	<b>3%</b>	<b>100%</b>					

1 - CAGR: Compounded Annual Growth Rate, 2 - LTM Risk: Standard Deviation of returns for the last 12 Months

\* Fund size is not available

Source: Markaz Analysis, Zawya, Lipperweb

## Appendix 6: Oman Equity Funds Statistics Conventional Funds

Fund Name	Fund Manager	Inception	Fund Size (USD Mn)	Asset Allocation				Performance (%)				
				Cash	Equities	Bonds	Total	Dec-08	2008	2007	CAGR <sup>1</sup>	LTM Risk <sup>2</sup>
1 Muscat Fund	BankMuscat	Dec-95	28	6%	94%	0%	100%	-12.10%	-37.50%	64.43%	8.69%	38.75%
2 Vision Emerging Oman Fund	Vision Investment Services Company	Aug-07	24	0%	100%	0%	100%	-11.91%	-37.41%	32.27%	-12.65%	38.08%
3 Oman Gateway Fund	Shuaa Capital	Jul-04	19	26%	74%	0%	100%	-17.30%	-34.71%	51.77%	9.47%	34.52%
<b>Total</b>			<b>71</b>	<b>11%</b>	<b>89%</b>	<b>0%</b>	<b>100%</b>					

1 - CAGR: Compounded Annual Growth Rate, 2 - LTM Risk: Standard Deviation of returns for the last 12 Months

\* Fund size is not available

Source: Markaz Analysis, Zawya, Lipperweb

## Appendix 7: Bahrain Equity Funds Statistics

### Conventional Funds

Fund Name	Fund Manager	Inception	Fund Size (USD Mn)	Asset Allocation				Performance (%)				
				Cash	Equities	Bonds	Total	Dec-08	2008	2007	CAGR <sup>1</sup>	LTM Risk <sup>2</sup>
1 SICO Selected Securities	Securities & Investment Company	May-98	9	17%	84%	0%	100%	-7.70%	-28.40%	31.36%	6.02%	22.36%
2 Delmon Fund	Global Investment House	Oct-04	6	NA	NA	NA	0%	-4.92%	-16.57%	23.00%	11.39%	14.01%
<b>Total</b>			<b>15</b>	<b>17%</b>	<b>84%</b>	<b>0%</b>	<b>100%</b>					

1 - CAGR: Compounded Annual Growth Rate, 2 - LTM Risk: Standard Deviation of returns for the last 12 Months

\* Fund size is not available

Source: Markaz Analysis, Zawya, Lipperweb

## Appendix 8: GCC Asset Management Industry – Equity Funds (Apr 08/Dec-08)

Country	April 2008						December 2008					
	Conventional Funds		Islamic Funds		Total		Conventional Funds		Islamic Funds		Total	
	No. of Funds	AUM (\$Bn)	No. of Funds	AUM (\$Bn)	No. of Funds	AUM (\$Bn)	No. of Funds	AUM (\$Bn)	No. of Funds	AUM (\$Bn)	No. of Funds	AUM (\$Bn)
Saudi Arabia	14	3.61	17	6.06	31	9.66	14	1.40	17	2.95	31	4.35
Kuwait	16	5.43	11	0.94	27	6.37	18	3.88	11	0.79	29	4.67
UAE	11	1.65	3	0.09	14	1.74	11	0.56	2	0.10	13	0.66
Qatar	6	0.12	1	0.04	7	0.16	8	0.21	3	0.04	11	0.25
Bahrain	2	0.04	0	NA	2	0.04	2	0.01	0	NA	2	0.01
Oman	3	0.15	0	NA	3	0.15	3	0.07	0	NA	3	0.07
GCC/MENA	25	2.74	12	0.97	37	3.71	24	1.24	14	0.53	38	1.77
<b>Total</b>	<b>77</b>	<b>13.74</b>	<b>44</b>	<b>8.10</b>	<b>121</b>	<b>21.84</b>	<b>80</b>	<b>7.37</b>	<b>47</b>	<b>4.40</b>	<b>127</b>	<b>11.77</b>

Source: Markaz Research

## Appendix 9: GCC Asset Managers – Consolidated

Sr. No.	Fund Manager	Asset Under Management (\$ Mn)*	Market Share (%)	Sr. No.	Fund Manager	Asset Under Management (\$ Mn)*	Market Share (%)
1	Riyad Capital	1,276	10.8%	37	Bakheet Investment Group	49	0.4%
2	HSBC Saudi Arabia	1,069	9.1%	38	Tharwa Investment Company	49	0.4%
3	Samba Financial Group	968	8.2%	39	EFG-Hermes	46	0.4%
4	National Investments Company	921	7.8%	40	The National Investors	39	0.3%
5	Kuwait Financial Centre	886	7.5%	41	Al Arabi Investment Group	33	0.3%
6	Kuwait Investment Company	842	7.1%	42	Societe Generale Asset Management	30	0.3%
7	Global Investment House	770	6.5%	43	Bank Al Jazira	25	0.2%
8	NCB Capital	480	4.1%	44	Amwal	24	0.2%
9	National Bank of Abu Dhabi	381	3.2%	45	Al Mal Capital	20	0.2%
10	Coast Investment and Development Company	353	3.0%	46	Makaseb	19	0.2%
11	Burgan Bank	322	2.7%	47	Audi Saudi Arabia	15	0.1%
12	Shuaa Capital	276	2.3%	48	Kuwait and Middle East Financial Investment Company	14	0.1%
13	Al Rajhi Bank	238	2.0%	49	Meridio AG	11	0.1%
14	Al Ahli Bank of Kuwait	225	1.9%	50	TAIB Securities	3	0.0%
15	Bank Al Bilad	213	1.8%	51	Al Tawfeek Company for Investment Funds	2	0.0%
16	Commercial Bank of Kuwait	201	1.7%				
17	National Bank of Kuwait	186	1.6%				
18	Arab National Bank	177	1.5%				
19	Kipco Asset Management Company	176	1.5%				
20	Securities & Investment Company	136	1.2%				
21	CAAM Saudi Fransi	127	1.1%				
22	Daman Investments	120	1.0%				
23	Algebra Capital	112	1.0%				
24	Kuwait Finance and Investment Company	96	0.8%				
25	SAIB Asset Management Company	94	0.8%				
26	Abu Dhabi Commercial Bank	87	0.7%				
27	Gulfinvest International	85	0.7%				
28	Saudi Holandi Capital Company	84	0.7%				
29	Gulf Investment Corporation	78	0.7%				
30	Al Dar Asset Management	72	0.6%				
31	Qatar National Bank	65	0.6%				
32	FALCOM Financial Services	62	0.5%				
33	Mashreq Bank	58	0.5%				
34	Jadwa Investment	57	0.5%				
35	Vision Investment Services Company	51	0.4%				
36	BankMuscat	51	0.4%				
					<b>TOTAL</b>	<b>11,771</b>	<b>100%</b>

**Note\*:** AUM Figures are restricted to Equity Funds only.

**Source:** Markaz Analysis, Zawya, Lipperweb

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 Managing GCC Volatility (Feb-07)  
 GCC for Fundamentalists (Dec-06)  
 GCC Leverage Risk (Nov-06)  
 GCC Equity Funds (Sep-06)

### Periodic Research

<u>Title</u>	<u>Frequency</u>
Markaz Daily Morning Brief	Daily
Markaz Kuwait Watch	Daily
Daily Fixed Income Update	Daily
KSE Market Weekly Snapshot	Weekly
KSE Market Weekly Review	Weekly
International Market Update	Weekly
Mena Mergers & Acquisitions	Monthly
Option Market Activity	Monthly
GCC Asset Allocation & Volatility	Monthly
Markaz Research Briefing	Monthly
GCC Equity Funds	Quarterly

### Sector Research

Real Estate	Infrastructure
<ul style="list-style-type: none"> <li>▪ Saudi Arabia (Sep-08)</li> <li>▪ Abu Dhabi (July-08)</li> <li>▪ Algeria (Mar-08)</li> <li>▪ Jordan (Mar-08)</li> <li>▪ Kuwait (Feb-08)</li> <li>▪ Lebanon (Dec-07)</li> <li>▪ Qatar (Sep-07)</li> <li>▪ Saudi Arabia (Jul-07)</li> <li>▪ U.S.A. (May-07)</li> <li>▪ Syria (Apr-07)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Power</li> <li>▪ Water</li> <li>▪ Airports</li> <li>▪ Seaports</li> <li>▪ Roadways</li> <li>▪ Railways</li> <li>▪ ICT</li> </ul>



## Markaz Research Offerings

### Company Research

#### Saudi Arabia

- Saudi Investment Bank (Jan-09)
- Savola Group (Dec-08)
- Kingdom Holding Co (Dec-08)
- Al Marai Company (Nov-08)
- Saudi Kayan Petro Co. (Aug-08)
- Al Rajhi Bank (Aug – 08)
- Arab National Bank (July-08)
- Saudi Telecom Co. (Jun-08)
- SAFCO (Jun-08)
- Banque Saudi Fransi (Jun-08)
- Riyadh Bank (Jun-08)
- Samba Financial Group (May-08)
- Sabic (May-08)

**Research Coverage Market  
Cap as % of total Market cap 60%**

#### UAE

- Gulf Cement Company (Jan-09)
- Abu Dhabi National Hotels (Dec-08)
- Dubai Investments (Dec-08)
- Arabtec Holding (Dec-08)
- Air Arabia (Nov-08)
- Union Properties (Nov-08)
- Dubai Islamic bank (Oct-08)
- Aldar Properties (Sept-08)
- Union National Bank (Aug-08)
- Dubai Financial Market (July-08)
- Emaar Properties (July-08)
- Dana Gas (July-08)
- FGB (July-08)
- DP World (July-08)
- ADCB (Jun-08)
- Etisalat (Jun-08)
- NBAD (May-08)

**Research Coverage Market  
Cap as % of total Market cap 46%**

#### Qatar

- Qatar Fuel Co. (Dec-08)
- Qatar Shipping Co (Dec-08)
- Barwa Real Estate Co. (Nov-08)
- Qatar Int'l Islamic bank (Nov-08)
- Qatar Insurance Co. (Nov-08)
- Qatar Telecom (Oct-08)
- Qatar Gas Transport Co. (Oct-08)
- Doha Bank (Aug-08)
- Qatar National Bank (Aug-08)
- QEWC (July-08)
- QISB (July-08)
- Masraf Al-Rayan (Jun-08)
- Commercial Bank of Qatar (Jun-08)
- Industries Qatar (May-08)

**Research Coverage Market  
Cap as % of total Market cap 93%**

#### Bahrain

- Gulf Finance House (Oct-08)
- Esterad Investment Company (Aug-08)
- Bahrain Islamic Bank (Aug-08)
- Ithmaar Bank (July-08)
- Tameer (July-08)
- Batelco (July-08)

**Research Coverage Market  
Cap as % of total Market cap 29%**

#### Egypt

- Commercial Int'l Bank (Oct-08)
- Orascom Telecom (Sep-08)
- Mobinil (Sep-08)
- Telecom Egypt (Aug-08)
- EFG-Hermes (Jun-08)

**Research Coverage Market  
Cap as % of total Market cap 45%**

#### Oman

- Galfar Engineering & Cont. (Nov-08)
- Oman Telecommunications (Sept-08)
- Bank Muscat (Sept-08)
- Oman cement (Sept-08)
- Raysut Cement Company (Aug-08)
- National Bank of Oman (Aug-08)
- OIB (July-08)

**Research Coverage Market  
Cap as % of total Market cap 69%**

#### Jordan

- Arab Bank (Sept-08)
- Cairo Amman Bank (Oct-08)

**Research Coverage Market  
Cap as % of total Market cap 39%**

**Markaz Research is available on: Bloomberg Type "MRKZ" <GO>, Thomson Financial, Reuters Knowledge, Zawya Investor & Nooz.**

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